{deleted text} shows text that was in SB0188 but was deleted in SB0188S01.

inserted text shows text that was not in SB0188 but was inserted into SB0188S01.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Senator Kirk A. Cullimore proposes the following substitute bill:

ENERGY EFFICIENCY AMENDMENTS

2022 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Kirk A. Cullimore

H	louse	Sponsor:				

LONG TITLE

General Description:

This bill modifies provisions related to encouraging energy efficiency and related air quality effects.

Highlighted Provisions:

This bill:

- {directs the Point of the Mountain State Land Authority to research and explore establishing a research center focused on improvement of energy efficiency and air quality;
- addresses} expands the Clean Fuels and Vehicle Technology Program to be the
 Clean Fuels and Emission Reduction Technology Program;
- expands low-income assistance programs related to customers of an electrical corporation or gas corporation;

- provides for a sales and use tax exemption related to an electricity storage facility;}
 and
 - makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

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\frac{\{11-59-203\}}{19-1-402}, as \frac{\{enacted\}}{1} by Laws of Utah \frac{\{2018\}}{2} Chapter \frac{\{388\}}{2}
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19-1-403, as last amended by Laws of Utah 2016, Chapter 369

19-1-404, as last amended by Laws of Utah 2020, Chapter 354

54-7-13.6, as last amended by Laws of Utah 2012, Chapter 212

{59-12-102}63A-3-205, as last amended by Laws of Utah 2017, Chapters 56 and 345

<u>63B-1b-102</u>, as last amended by Laws of Utah {2021, Chapters 64, 367, 414 and last amended by Coordination Clause, Laws of Utah 2021, Chapter 367

59-12-104}2019, Chapter 479

REPEALS:

<u>19-1-401</u>, as last amended by Laws of Utah <u>{2021}</u> <u>2006</u>, {Chapters 280 and 367} <u>Chapter 136</u>

Be it enacted by the Legislature of the state of Utah:

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Section 1. Section \frac{\{11-59-203\}}{19-1-402} is amended to read:
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{11-59-203. Authority duties and responsibilities.

(1) As the authority plans, manages, and implements the development of the point of the mountain state land, the authority shall pursue development strategies and objectives designed

to:

- (a) maximize the creation of high-quality jobs and encourage and facilitate a highly trained workforce;
 - (b) ensure strategic residential and commercial growth;

- (c) promote a high quality of life for residents on and surrounding the point of the mountain state land, including strategic planning to facilitate:
 - (i) jobs close to where people live;
 - (ii) vibrant urban centers;
 - (iii) housing types that match workforce needs;
- (iv) parks, connected trails, and open space, including the preservation of natural lands to the extent practicable and consistent with the overall development plan; and
 - (v) preserving and enhancing recreational opportunities;
 - (d) complement the development on land in the vicinity of the point of the mountain state land;
 - (e) improve air quality and minimize resource use; and
- (f) accommodate and incorporate the planning, funding, and development of an enhanced and expanded future transit and transportation infrastructure and other investments, including:
- (i) the acquisition of rights-of-way and property necessary to ensure transit access to the point of the mountain state land; and
- (ii) a world class mass transit infrastructure, to service the point of the mountain state land and to enhance mobility and protect the environment.
 - (2) In planning the development of the point of the mountain state land, the authority shall:
 - (a) consult with applicable governmental planning agencies, including:
 - (i) relevant metropolitan planning organizations; and
 - (ii) Draper City and Salt Lake County planning and governing bodies;
 - (b) research and explore the feasibility of attracting a nationally recognized research center;

 [and]
 - (c) research and explore the appropriateness of including labor training centers and a higher education presence on the point of the mountain state land[.]; and
 - (d) research and explore the feasibility of establishing a research and development center focused on improvement of energy efficiency and air quality.} Part 4. Clean Fuels and

Emission Reduction Technology Program Act

19-1-402. **Definitions.**

As used in this part:

(1) "Air barrier system" means air barrier material, a system, or an assembly that is

specifically and primarily designed to minimize the passage of air through the building thermal envelope and the assemblies when installed in or on a dwelling.

- [(1)] (2) "Clean fuel" means:
- (a) propane, natural gas, or electricity; or
- (b) other fuel that meets the clean fuel vehicle standards in the federal Clean Air Act Amendments of 1990, 42 U.S.C. Sec. 7521 et seq.
 - [(2)] (3) (a) "Clean vehicle" means a vehicle that:
 - [(a)] (i) uses a clean fuel; [or]
 - [(b)] (ii) is an electric-hybrid vehicle[-]; or
 - (\{b\}iii) is an \{electric-hybrid vehicle.
 - (3)}electric vehicle.
 - (b) "Clean vehicle" may include heavy duty equipment, such as:
 - (i) a tractor;
 - (ii) earth-moving equipment;
 - (iii) an off-highway vehicle; or
 - (iv) other equipment approved by the director of the Division of Air Quality.
- (4) "Dwelling" means a house, multi-family dwelling, apartment complex, or other residential type building.
 - [(3)] (5) "Electric-hybrid vehicle" means a vehicle:
 - (a) primarily powered by an electric motor that draws current from:
 - (i) rechargeable storage batteries;
 - (ii) fuel cells; or
 - (iii) other sources of electric current; and
 - (b) that also operates on or is capable of operating on a nonelectrical source of power.
- (6) "Electric vehicle" means a vehicle powered by an electric motor that draws current from rechargeable storage batteries, fuel cells, or other sources of electric current and does not need carbon based fuel for operation.
- (7) "Energy-efficient building envelope improvements" means an insulation and air barrier system that meets the prescriptive criteria for insulation and air barrier systems established by the 2021 International Energy Conservation Code.
 - [(4)] (8) "Fund" means the Clean Fuels and [Vehicle] Emission Reduction Technology

Fund created in Section 19-1-403.

- [(5)] (9) (a) "Government vehicle" means a motor vehicle:
- (i) registered in Utah; and
- (ii) owned and operated by:
- (A) the state;
- (B) a public trust authority;
- (C) a school district;
- (D) a county; or
- (E) a municipality.
- (b) "Government vehicle" includes a metropolitan rapid transit motor vehicle, bus, truck, law enforcement vehicle, or emergency vehicle.
- [(6)] (10) "Incremental cost" means the difference between the cost of [the] an OEM vehicle and the same vehicle model manufactured without the clean fuel fueling system.
- (11) "Insulation" means a material or system that is specifically and primarily designed to reduce the heat loss or gain of a dwelling unit when installed in or on the dwelling unit.
- [(7)] (12) "OEM vehicle" means a vehicle manufactured by the original vehicle manufacturer or [its] the manufacturer's contractor as a clean vehicle.
- [(8)] (13) "Private sector business vehicle" means a motor vehicle registered in Utah that is owned and operated solely in the conduct of a private business enterprise.
- (14) "Qualified energy-efficient residential dwelling" means a dwelling with an energy efficiency rating determined by the department by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
 - [(9)] (15) "Refueling equipment" means:
 - (a) compressors when used separately[-]:
 - (b) compressors used in combination with cascade tanks[, and];
- (c) other equipment that constitute a central refueling system capable of dispensing vehicle fuel[-]: and
 - (d) electric charging stations and equipment.
 - Section 2. Section 19-1-403 is amended to read:
- 19-1-403. Clean Fuels and **\{\text{Vehicle}\}\) Emission Reduction** Technology Program -- Contents -- Loans or grants made with fund money.

- (1) (a) There is created a revolving fund known as the Clean Fuels and [Vehicle] Emission Reduction Technology Fund.
 - (b) The fund consists of:
 - (i) appropriations to the fund;
 - (ii) other public and private contributions made under Subsection (1)(c);
 - (iii) interest earnings on cash balances; and
 - (iv) [all] money collected for loan repayments and interest on loans.
- (c) The department may accept contributions from other public and private sources for deposit into the fund.
- (2) The department may accept federal money, including from the Infrastructure

 Investment and Jobs Act, P.L. 117-58, toward making a loan or grant for the cost of a new

 {electric } clean vehicle or refueling equipment.
 - [(2)] (3) (a) The department may make a loan or a grant:
 - (i) with money available in the fund for:
- [(i)] (A) the conversion of a private sector business vehicle [or], a government vehicle or a fleet of private sector business vehicles or government vehicles to use a clean fuel, if certified by the Air Quality Board under Subsection 19-1-405(1)(a); or
- [(ii)] (B) the purchase of [an OEM vehicle] an electric-hybrid vehicle, an electric vehicle, or a fleet of electric-hybrid vehicles or electric vehicles for use as a private sector business vehicle [or], a government vehicle[-], or a fleet of private sector business vehicles or government vehicles; and
- (ii) with federal money available under Subsection (2) for the cost of a new electric {clean } vehicle or refueling equipment.
 - (b) The amount of a loan for any vehicle under Subsection $[\frac{(2)}{(2)}]$ (a) may not exceed:
 - (i) the actual cost of the vehicle conversion;
- (ii) the incremental cost of purchasing the [OEM vehicle] electric-hybrid vehicle, electric vehicle, or fleet of electric-hybrid vehicles or electric vehicles; or
- (iii) the cost of purchasing the [OEM vehicle] electric-hybrid vehicle, electric vehicle, or fleet of electric-hybrid vehicles or electric vehicles if there is no documented incremental cost.
 - (c) The amount of a grant for any vehicle under Subsection $[\frac{(2)}{(3)}]$ (a) may not exceed:

- (i) 50% of the actual cost of the vehicle conversion for the vehicle for which a grant is requested; or
- (ii) [50%] 100% of the [incremental] cost of purchasing [an OEM] the vehicle for the vehicle for which a grant is requested.
- (d) (i) Subject to the availability of money in the fund <u>or the federal money described</u> <u>in Subsection (2)</u>, the department may make a loan or grant for the purchase of [vehicle] refueling equipment for a private sector business vehicle [or], a government vehicle, or a fleet of private sector business vehicles or government vehicles.
- (ii) The maximum amount loaned or granted per installation of refueling equipment may not exceed the actual cost of the refueling equipment.
 - $[\frac{(3)}{(4)}]$ (4) The department may:
- (a) establish an application fee for a loan or grant [from the fund] under this section by following [the procedures and requirements of] Section 63J-1-504; and
- (b) reimburse itself for the costs incurred in administering the fund <u>and federal money</u> <u>described in Subsection (2)</u> from:
 - (i) the fund; or
 - (ii) application fees established under Subsection [(3)] (4)(a).
 - (4) (a) The fund balance may not exceed \$10,000,000.
- [(b) Interest on cash balances and repayment of loans in excess of the amount necessary to maintain the fund balance at \$10,000,000 shall be deposited in the General Fund.]
- (5) (a) [Loans] A loan made from money in the fund or federal money described in Subsection (2) shall be supported by loan documents evidencing the intent of the borrower to repay the loan.
- (b) The original loan documents <u>described in this Subsection (5)</u> shall be filed with the Division of Finance and a copy shall be filed with the department.
- (6) (a) The department may make grants to a person or government agency from the fund for the following:
 - (i) installation of energy-efficient building envelope improvements at a dwelling; and
 - (ii) construction of a qualified energy-efficient residential dwelling.
- (b) The size of a grant under this Subsection (6) shall be commensurate with the square footage of a dwelling, but may not exceed \$5,000 per dwelling.

- (c) The department shall determine grant allocation under this Subsection (6).
- (d) The department may not issue a loan from the fund for the purposes outlined in Subsection (6)(a).

Section 3. Section 19-1-404 is amended to read:

19-1-404. Department duties -- Rulemaking -- Loan repayment.

- (1) The department shall:
- (a) administer the fund created in Section 19-1-403 <u>and the federal money described in Subsection 19-1-403(2)</u> to encourage [government officials and private sector business vehicle owners and operators to obtain and use clean fuel vehicles] <u>emission reductions through energy efficient building practices and the use and acquisition of clean vehicles</u>; and
- (b) [by following the procedures and requirements of] make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act[, make rules]:
- (i) specifying the amount of money in the fund <u>and federal money</u> to be dedicated annually for grants;
- (ii) limiting the number of motor vehicles per fleet operator that may be eligible for a grant in a year;
- (iii) specifying criteria the department shall consider in prioritizing and awarding loans and grants;
 - (iv) specifying repayment periods;
 - (v) specifying procedures for:
 - (A) awarding loans and grants; and
 - (B) collecting loans; and
 - (vi) requiring [all] loan and grant applicants to:
 - (A) apply on forms provided by the department;
- (B) <u>if the loan or grant is for a clean vehicle</u>, agree in writing to use the clean fuel for which each <u>clean</u> vehicle is converted or purchased using loan or grant proceeds for a minimum of 70% of the vehicle miles traveled beginning from the time of conversion or purchase of the <u>clean</u> vehicle;
- (C) <u>if the loan or grant is for a clean vehicle</u>, agree in writing to notify the department if a <u>clean</u> vehicle converted or purchased using loan or grant proceeds becomes inoperable through mechanical failure or accident and to pursue a remedy outlined in department rules;

- (D) <u>if the loan or grant is for a clean vehicle</u>, provide reasonable data to the department on a <u>clean</u> vehicle converted or purchased with loan or grant proceeds; and
- (E) <u>if the loan or grant is for a clean vehicle</u>, submit a <u>clean</u> vehicle converted or purchased with loan or grant proceeds to inspections by the department as required in department rules and as necessary for administration of the loan and grant program.
- (2) (a) When developing repayment schedules for the loans, the department shall consider the projected savings from use of the clean vehicle.
 - (b) A repayment schedule may not exceed 10 years.
- (c) The department shall make a loan from the fund <u>or federal money described in Subsection 19-1-403(2)</u> for a private sector <u>business</u> vehicle at an interest rate equal to the annual return earned in the state treasurer's Public Treasurer's Pool as determined the month immediately preceding the closing date of the loan.
- (d) The department shall make a loan from the fund <u>or federal money described in Subsection 19-1-403(2)</u> for a government vehicle with no interest rate.
 - (3) The Division of Finance shall:
 - (a) collect and account for the loans; and
- (b) have custody of [all] the loan documents, including [all] notes and contracts, evidencing the indebtedness of the fund or federal money described in Subsection 19-1-403(2).

Section 4. Section **54-7-13.6** is amended to read:

54-7-13.6. Low-income assistance program.

- (1) As used in this section[, "eligible]:
- (a) "Eligible customer" means an electrical corporation or a gas corporation customer:
- $\left[\frac{a}{a}\right]$ (i) that earns no more than:
- [(i)] (A) 125% of the federal poverty level for bill payment assistance or 200% of the federal poverty level for any other low-income assistance; or
- [(ii)] (B) another percentage of the federal poverty level as determined by the commission by order; and
 - [(b)] (ii) whose eligibility is certified by the Utah Department of Workforce Services.
 - (b) "Low-income assistance" means:
 - (i) bill payment assistance;
 - (ii) replacement of {a natural gas} an appliance with a more efficient or lower emitting {

natural gas} appliance;

- (iii) replacement of a wood burning appliance or wood burning fireplace with {a natural gas} an efficient or low emitting appliance; or
 - (iv) other energy efficient improvement to an eligible customer's residence.
- (2) A customer's income eligibility for the program described in this section shall be renewed annually.
- (3) An eligible customer may not receive <u>low-income</u> assistance at more than one residential location at any one time.
- (4) Notwithstanding Section 54-3-8, the commission may approve a low-income assistance program to provide [bill payment] low-income assistance to [low-income] an eligible customer who is a residential [customers] customer of:
 - (a) an electrical corporation with more than 50,000 customers; or
 - (b) a gas corporation with more than 50,000 customers.
- (5) (a) (i) Subject to Subsection (5)(a)(ii), low-income assistance program funding from each rate class may be in an amount determined by the commission.
- (ii) Low-income assistance program funding described in Subsection (5)(a)(i) may not exceed 0.5% of the rate class's retail revenues.
- { (iii) A gas corporation shall use at least 55% of the low-income assistance funding in the gas corporation's low-income assistance program for the purposes provided in Subsections (1)(b)(ii) through (iv).
- † ({iv}iii) An electrical corporation or gas corporation may use low-income assistance program funding to pay:
- (A) administrative costs associated with the electrical corporation's or gas corporation's program; or
- (B) contractor or employee costs incurred in implementing or installing a measure described in Subsections (1)(b)(ii) through (iv).
- (b) (i) Low-income assistance program funding [for bill payment assistance] shall be provided through a surcharge on the monthly bill of each Utah retail customer of the electrical corporation or gas corporation providing the <u>low-income assistance</u> program.
- (ii) The surcharge described in Subsection (5)(b)(i) may not be collected from [customers currently participating in the low-income assistance program] a customer who is

receiving bill payment assistance.

- (c) (i) Subject to Subsection (5)(c)(ii), the monthly surcharge described in Subsection (5)(b)(i) shall be calculated as an equal percentage of revenues from all rate schedules.
- (ii) The monthly surcharge described in Subsection (5)(b)(i) may not exceed \$50 per month for any customer, adjusted periodically as the commission determines appropriate for inflation.
- (6) (a) An eligible customer shall receive <u>low-income assistance in the form of one or more of the following:</u>
 - (i) a billing credit on the monthly electric or gas bill for the customer's residence[:];
- (ii) replacement of {a natural gas}an appliance with a more efficient or lower emitting { natural gas} appliance;
- (iii) replacement of a wood burning appliance or wood burning fireplace with {a natural gas} an efficient or low emitting appliance; or
 - (iv) other energy efficiency improvement to the eligible customer's residence.
- (b) The [amount of the billing credit] allocation of low-income assistance to an eligible customer, as described in Subsection (6)(a), shall be determined by the commission based on:
 - (i) the projected funding of the low-income assistance program;
 - (ii) the projected customer participation in the low-income assistance program; and
 - (iii) other factors that the commission determines relevant.
- (c) The {low-income assistance and the } [monthly {[} billing credit and the monthly {[}} surcharge] low-income assistance funding level shall be adjusted concurrently with the final order in a general rate increase or decrease case under Section 54-7-12 for the electrical corporation or gas corporation providing the program or as determined by the commission.

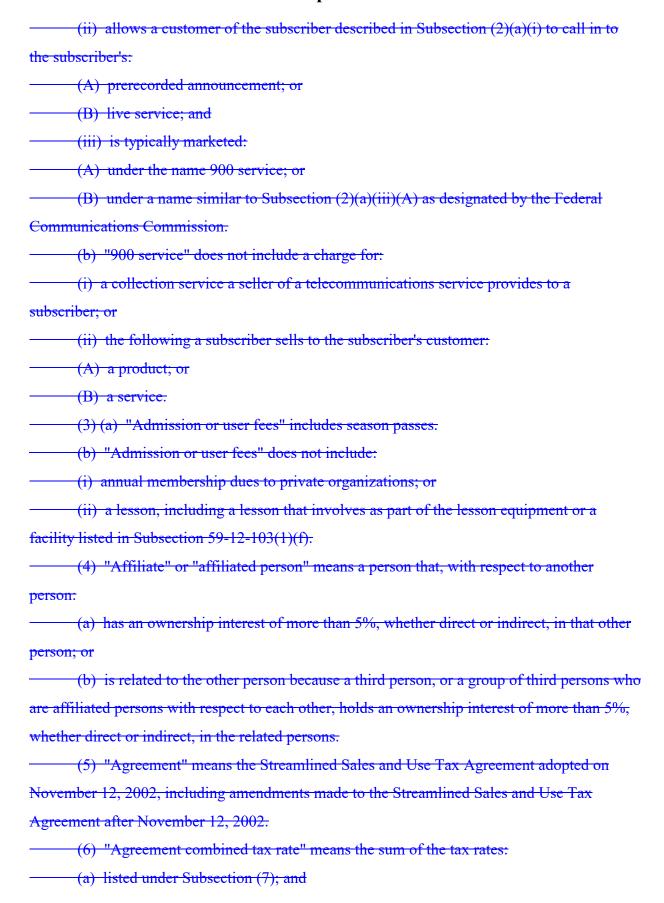
Section 5. Section $\frac{\{59-12-102\}}{63A-3-205}$ is amended to read:

{59-12-102}63A-3-205. Revolving loan funds -- Standards and procedures.

- (1) As used in this section, "revolving loan fund" means:
- (a) the Water Resources Conservation and Development Fund, created in Section 73-10-24;
 - (b) the Water Resources Construction Fund, created in Section 73-10-8;
 - (c) the Water Resources Cities Water Loan Fund, created in Section 73-10-22;
 - (d) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean

Fuels and [Vehicle] Emission Reduction Technology Program Act; (e) the Water Development Security Fund and its subaccounts, created in Section 73-10c-5; (f) the Agriculture Resource Development Fund, created in Section 4-18-106; (g) the Utah Rural Rehabilitation Fund, created in Section 4-19-105; (h) the Permanent Community Impact Fund, created in Section 35A-8-303; (i) the Petroleum Storage Tank Trust Fund, created in Section 19-6-409; (i) the Uintah Basin Revitalization Fund, created in Section 35A-8-1602; (k) the Navajo Revitalization Fund, created in Section 35A-8-1704; and (1) the Energy Efficiency Fund, created in Section 11-45-201. (2) The division shall for each revolving loan fund make rules establishing standards and procedures governing: (a) payment schedules and due dates; (b) interest rate effective dates; (c) loan documentation requirements; and (d) interest rate calculation requirements. Section 6. Section 63B-1b-102 is amended to read: 63B-1b-102. Definitions. As used in this chapter: (1) "\{800 \text{ service" means a telecommunications service that:} (a) allows a caller to dial a toll-free number without incurring a charge for the call; and (b) is typically marketed: (i) under the name 800 toll-free calling; (ii) under the name 855 toll-free calling; (iii) under the name 866 toll-free calling; (iv) under the name 877 toll-free calling; (v) under the name 888 toll-free calling; or (vi) under a name similar to Subsections (1)(b)(i) through (v) as designated by the Federal Communications Commission. (2) (a) "900 service" means an inbound toll telecommunications service that:

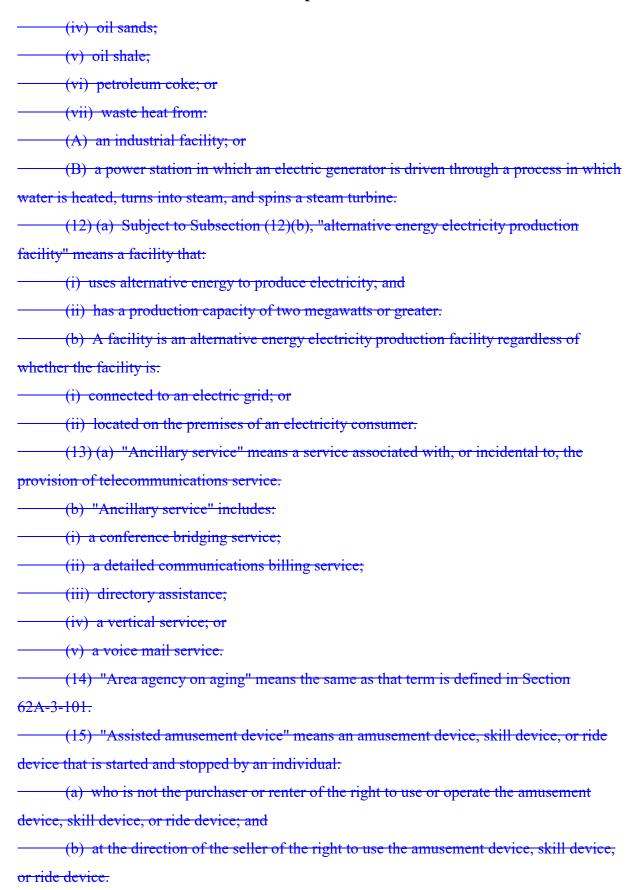
(i) a subscriber purchases;

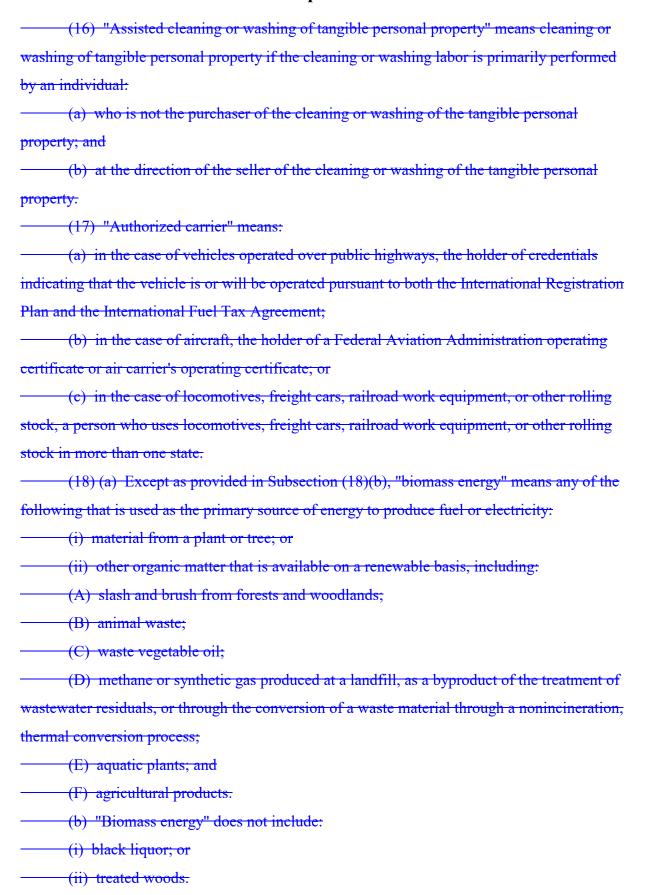


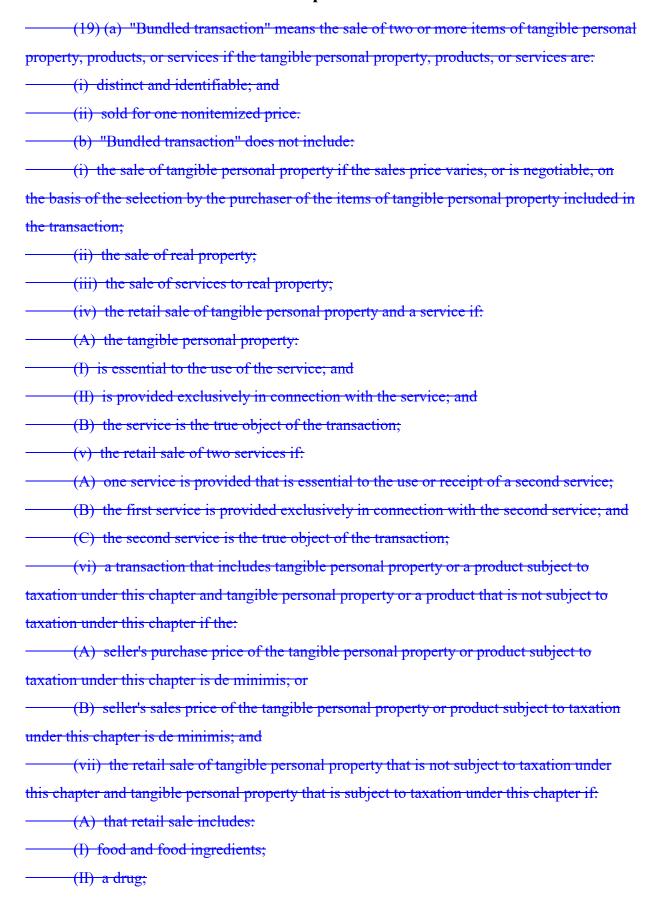
(b) that are imposed within a local taxing jurisdiction. (7) "Agreement sales and use tax" means a tax imposed under: (a) Subsection 59-12-103(2)(a)(i)(A); (b) Subsection 59-12-103(2)(b)(i); (c) Subsection 59-12-103(2)(c)(i); (d) Subsection 59-12-103(2)(d); (e) Subsection 59-12-103(2)(e)(i)(A)(I); (f) Section 59-12-204; (g) Section 59-12-401; (h) Section 59-12-402; (i) Section 59-12-402.1; (j) Section 59-12-703; (k) Section 59-12-802; (1) Section 59-12-804; (m) Section 59-12-1102; (n) Section 59-12-1302; (o) Section 59-12-1402; (p) Section 59-12-1802; (q) Section 59-12-2003; (r) Section 59-12-2103; (s) Section 59-12-2213; (t) Section 59-12-2214; (u) Section 59-12-2215; (v) Section 59-12-2216; (w) Section 59-12-2217; (x) Section 59-12-2218; (y) Section 59-12-2219; or (z) Section 59-12-2220. (8) "Aircraft" means the same as that term is defined Agency bonds" means any bond, note, contract, or other evidence of indebtedness representing loans or grants made by an authorizing agency.

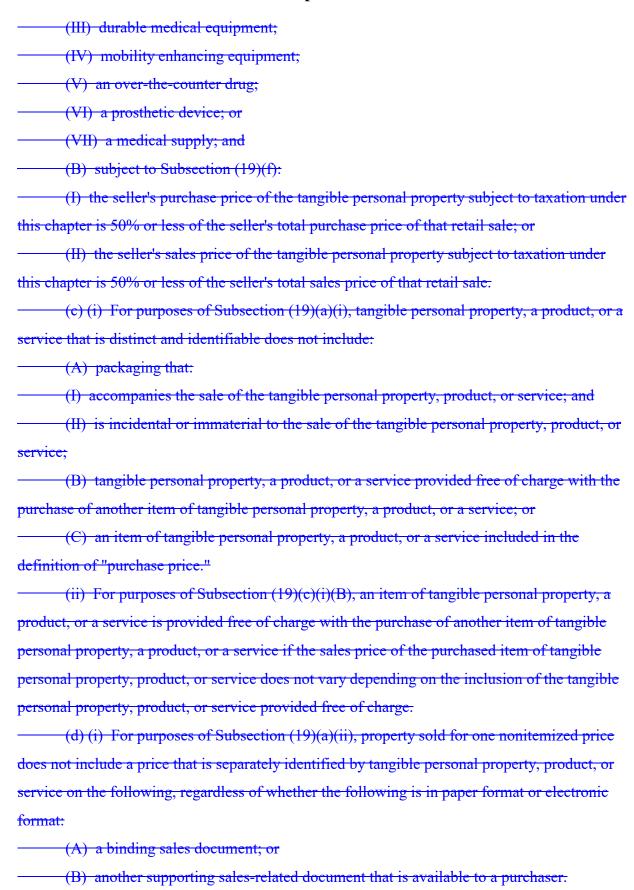
- (2) "Authorized official" means the state treasurer or other person authorized by a bond document to perform the required action.
- (3) "Authorizing agency" means the board, person, or unit with legal responsibility for administering and managing revolving loan funds.
 - (4) "Bond document" means:
 - (a) a resolution of the commission; or
- (b) an indenture or other similar document authorized by the commission that authorizes and secures outstanding revenue bonds from time to time.
- (5) "Commission" means the State Bonding Commission, created in Section 63B-1-201.
 - (6) "Revenue bonds" means any special fund revenue bonds issued under this chapter.
 - (7) "Revolving Loan Funds" means:
- (a) the Water Resources Conservation and Development Fund, created in Section 73-10-24;
 - (b) the Water Resources Construction Fund, created in Section 73-10-8;
 - (c) the Water Resources Cities Water Loan Fund, created in Section 73-10-22;
- (d) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean Fuels and [Vehicle] Emission Reduction Technology Program Act;
- (e) the Water Development Security Fund and its subaccounts, created in Section 73-10c-5;
 - (f) the Agriculture Resource Development Fund, created in Section 4-18-106;
 - (g) the Utah Rural Rehabilitation Fund, created in Section 4-19-105;
 - (h) the Permanent Community Impact Fund, created in Section 35A-8-303;
 - (i) the Petroleum Storage Tank Trust Fund, created in Section 19-6-409; and
 - (i) the State Infrastructure Bank Fund, created in Section (72-10-102.
- (9) "Aircraft maintenance, repair, and overhaul provider" means a business entity:
- (a) except for:
- (i) an airline as defined in Section 59-2-102; or
- (ii) an affiliated group, as defined in Section 59-7-101, except that "affiliated group" includes a corporation that is qualified to do business but is not otherwise doing business in the state, of an airline; and

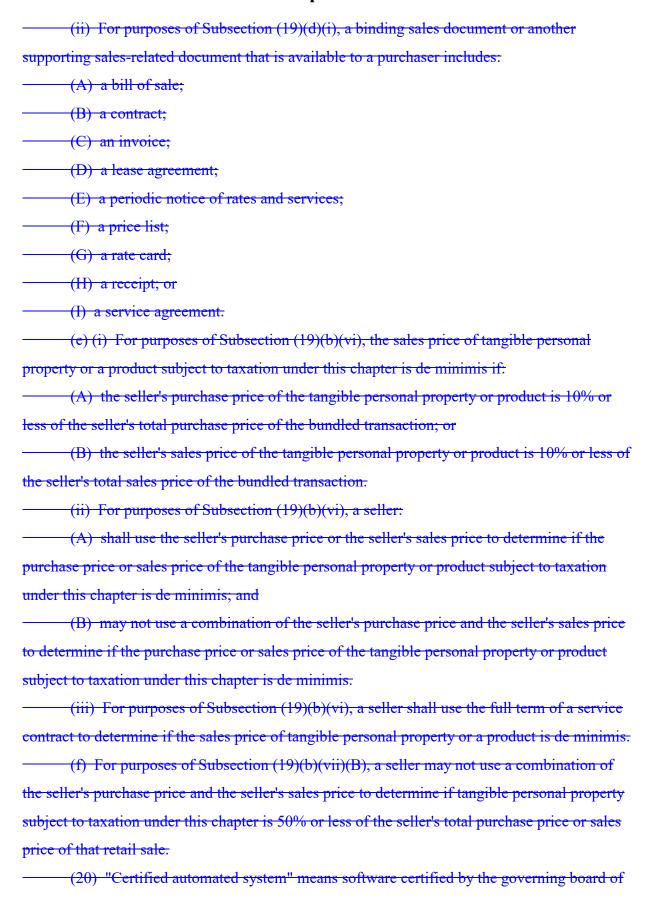
(b) that has the workers, expertise, and facilities to perform the following, regardless of
whether the business entity performs the following in this state:
(i) check, diagnose, overhaul, and repair:
(A) an onboard system of a fixed wing turbine powered aircraft; and
(B) the parts that comprise an onboard system of a fixed wing turbine powered aircraft;
(ii) assemble, change, dismantle, inspect, and test a fixed wing turbine powered aircraft
engine;
(iii) perform at least the following maintenance on a fixed wing turbine powered
aircraft:
(A) an inspection;
(B) a repair, including a structural repair or modification;
(C) changing landing gear; and
(D) addressing issues related to an aging fixed wing turbine powered aircraft;
(iv) completely remove the existing paint of a fixed wing turbine powered aircraft and
completely apply new paint to the fixed wing turbine powered aircraft; and
(v) refurbish the interior of a fixed wing turbine powered aircraft in a manner that
results in a change in the fixed wing turbine powered aircraft's certification requirements by the
authority that certifies the fixed wing turbine powered aircraft.
(10) "Alcoholic beverage" means a beverage that:
(a) is suitable for human consumption; and
(b) contains .5% or more alcohol by volume.
(11) "Alternative energy" means:
(a) biomass energy;
(b) geothermal energy;
(c) hydroelectric energy;
(d) solar energy;
(e) wind energy; or
(f) energy that is derived from:
(i) coal-to-liquids;
(ii) nuclear fuel;
(iii) oil-impregnated diatomaceous earth;







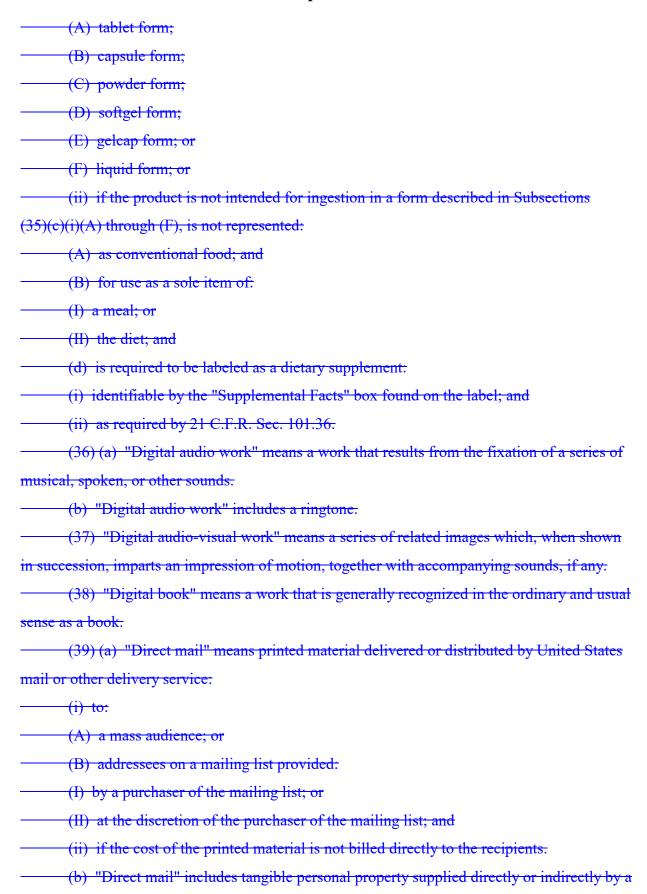




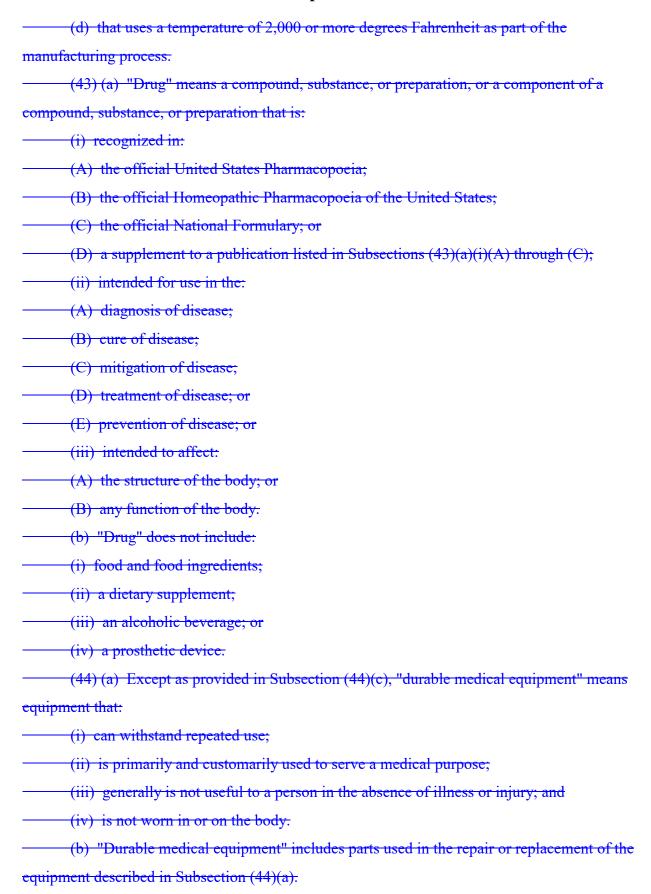
the agreement that: (a) calculates the agreement sales and use tax imposed within a local taxing jurisdiction: (i) on a transaction; and (ii) in the states that are members of the agreement; (b) determines the amount of agreement sales and use tax to remit to a state that is a member of the agreement; and (c) maintains a record of the transaction described in Subsection (20)(a)(i). (21) "Certified service provider" means an agent certified: (a) by the governing board of the agreement; and (b) to perform a seller's sales and use tax functions for an agreement sales and use tax, as outlined in the contract between the governing board of the agreement and the certified service provider, other than the seller's obligation under Section 59-12-124 to remit a tax on the seller's own purchases. (22) (a) Subject to Subsection (22)(b), "clothing" means all human wearing apparel suitable for general use. (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission shall make rules: (i) listing the items that constitute "clothing"; and (ii) that are consistent with the list of items that constitute "clothing" under the agreement. (23) "Coal-to-liquid" means the process of converting coal into a liquid synthetic fuel. (24) "Commercial use" means the use of gas, electricity, heat, coal, fuel oil, or other fuels that does not constitute industrial use under Subsection [(57)] (58) or residential use under Subsection [(112)] (113). (25) (a) "Common carrier" means a person engaged in or transacting the business of transporting passengers, freight, merchandise, or other property for hire within this state. (b) (i) "Common carrier" does not include a person that, at the time the person is traveling to or from that person's place of employment, transports a passenger to or from the passenger's place of employment. (ii) For purposes of Subsection (25)(b)(i), in accordance with Title 63G, Chapter 3,

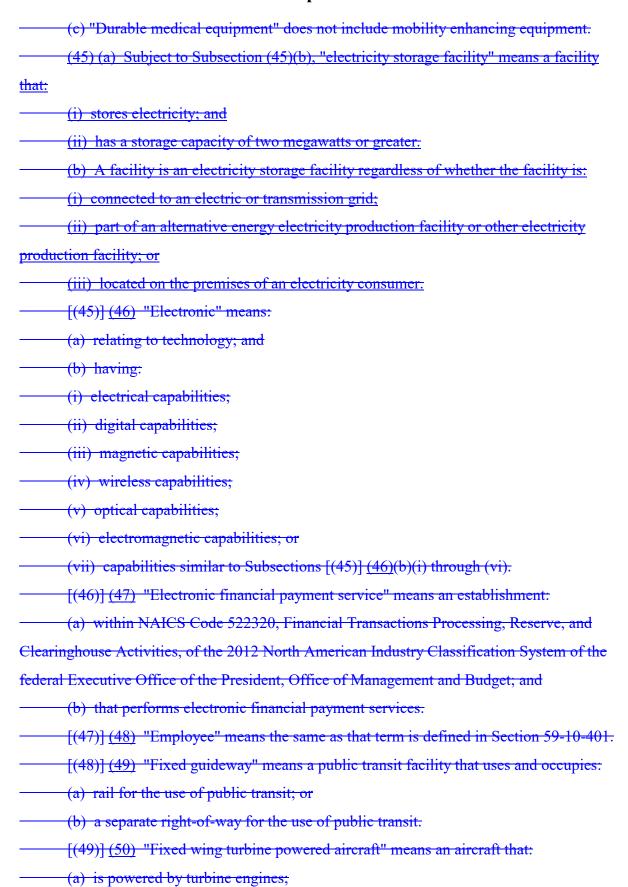
Utah Administrative Rulemaking Act, the commission may make rules defining what constitutes a person's place of employment. (c) "Common carrier" does not include a person that provides transportation network services, as defined in Section 13-51-102. (26) "Component part" includes: (a) poultry, dairy, and other livestock feed, and their components; (b) baling ties and twine used in the baling of hay and straw; (c) fuel used for providing temperature control of orchards and commercial greenhouses doing a majority of their business in wholesale sales, and for providing power for off-highway type farm machinery; and (d) feed, seeds, and seedlings. (27) "Computer" means an electronic device that accepts information: (a) (i) in digital form; or (ii) in a form similar to digital form; and (b) manipulates that information for a result based on a sequence of instructions. (28) "Computer software" means a set of coded instructions designed to cause: (a) a computer to perform a task; or (b) automatic data processing equipment to perform a task. (29) "Computer software maintenance contract" means a contract that obligates a seller of computer software to provide a customer with: (a) future updates or upgrades to computer software; (b) support services with respect to computer software; or (c) a combination of Subsections (29)(a) and (b). (30) (a) "Conference bridging service" means an ancillary service that links two or more participants of an audio conference call or video conference call. (b) "Conference bridging service" may include providing a telephone number as part of the ancillary service described in Subsection (30)(a). (c) "Conference bridging service" does not include a telecommunications service used to reach the ancillary service described in Subsection (30)(a). (31) "Construction materials" means any tangible personal property that will be converted into real property.

(32) "Delivered electronically" means delivered to a purchaser by means other than
tangible storage media.
(33) (a) "Delivery charge" means a charge:
(i) by a seller of:
(A) tangible personal property;
(B) a product transferred electronically; or
(C) a service; and
(ii) for preparation and delivery of the tangible personal property, product transferred
electronically, or services described in Subsection (33)(a)(i) to a location designated by the
purchaser.
(b) "Delivery charge" includes a charge for the following:
(i) transportation;
(ii) shipping;
(iii) postage;
(iv) handling;
(v) crating; or
(vi) packing.
(34) "Detailed telecommunications billing service" means an ancillary service of
separately stating information pertaining to individual calls on a customer's billing statement.
(35) "Dietary supplement" means a product, other than tobacco, that:
(a) is intended to supplement the diet;
(b) contains one or more of the following dietary ingredients:
(i) a vitamin;
(ii) a mineral;
(iii) an herb or other botanical;
(iv) an amino acid;
(v) a dietary substance for use by humans to supplement the diet by increasing the tot
dietary intake; or
(vi) a concentrate, metabolite, constituent, extract, or combination of any ingredient
described in Subsections (35)(b)(i) through (v);
(c) (i) except as provided in Subsection (35)(c)(ii), is intended for ingestion in:

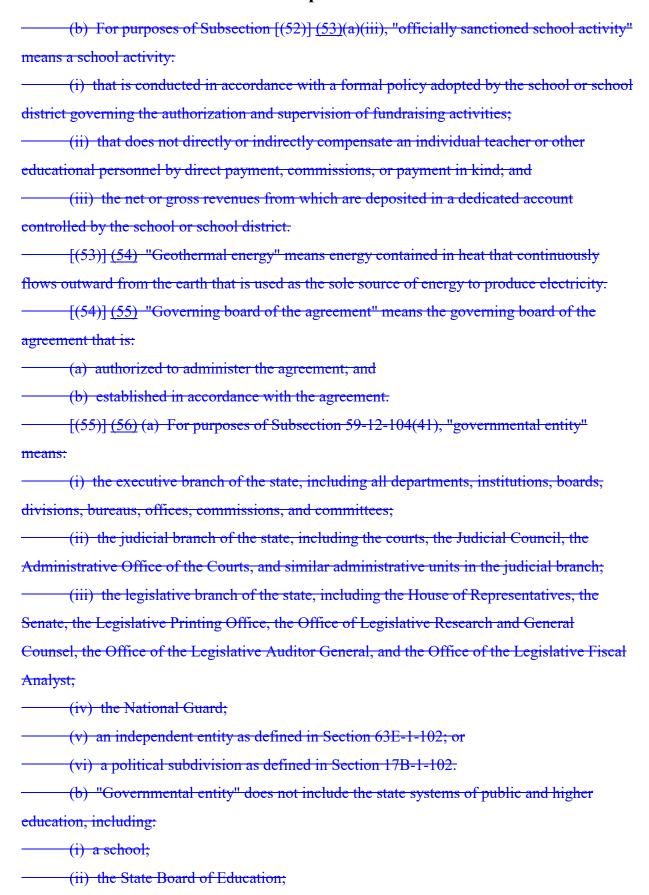


purchaser to a seller of direct mail for inclusion in a package containing the printed material.
(c) "Direct mail" does not include multiple items of printed material delivered to a
single address.
(40) "Directory assistance" means an ancillary service of providing:
(a) address information; or
(b) telephone number information.
(41) (a) "Disposable home medical equipment or supplies" means medical equipment
or supplies that:
(i) cannot withstand repeated use; and
(ii) are purchased by, for, or on behalf of a person other than:
(A) a health care facility as defined in Section 26-21-2;
(B) a health care provider as defined in Section 78B-3-403;
(C) an office of a health care provider described in Subsection (41)(a)(ii)(B); or
(D) a person similar to a person described in Subsections (41)(a)(ii)(A) through (C).
(b) "Disposable home medical equipment or supplies" does not include:
(i) a drug;
(ii) durable medical equipment;
(iii) a hearing aid;
(iv) a hearing aid accessory;
(v) mobility enhancing equipment; or
(vi) tangible personal property used to correct impaired vision, including:
(A) eyeglasses; or
(B) contact lenses.
(c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
commission may by rule define what constitutes medical equipment or supplies.
(42) "Drilling equipment manufacturer" means a facility:
(a) located in the state;
(b) with respect to which 51% or more of the manufacturing activities of the facility
consist of manufacturing component parts of drilling equipment;
(c) that uses pressure of 800,000 or more pounds per square inch as part of the
manufacturing process; and

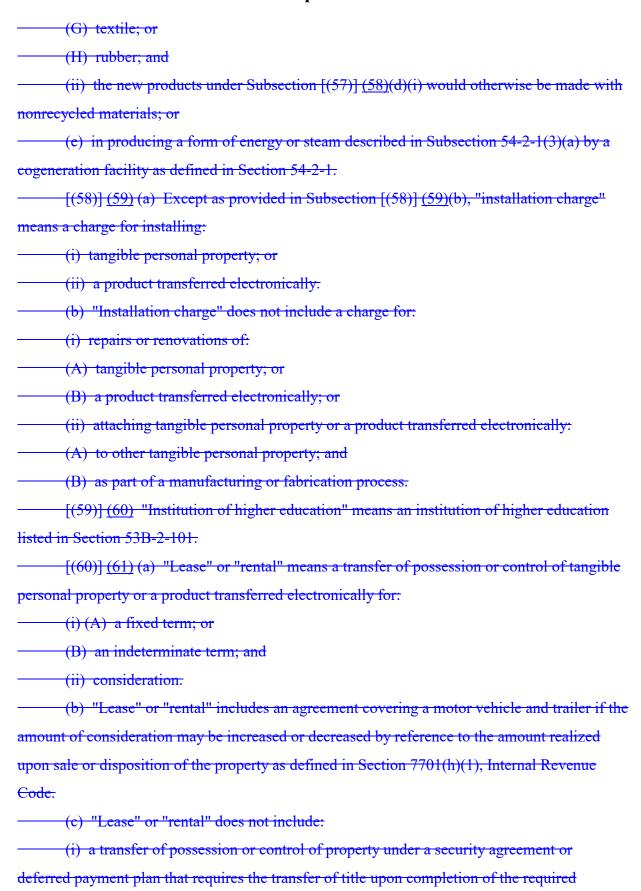


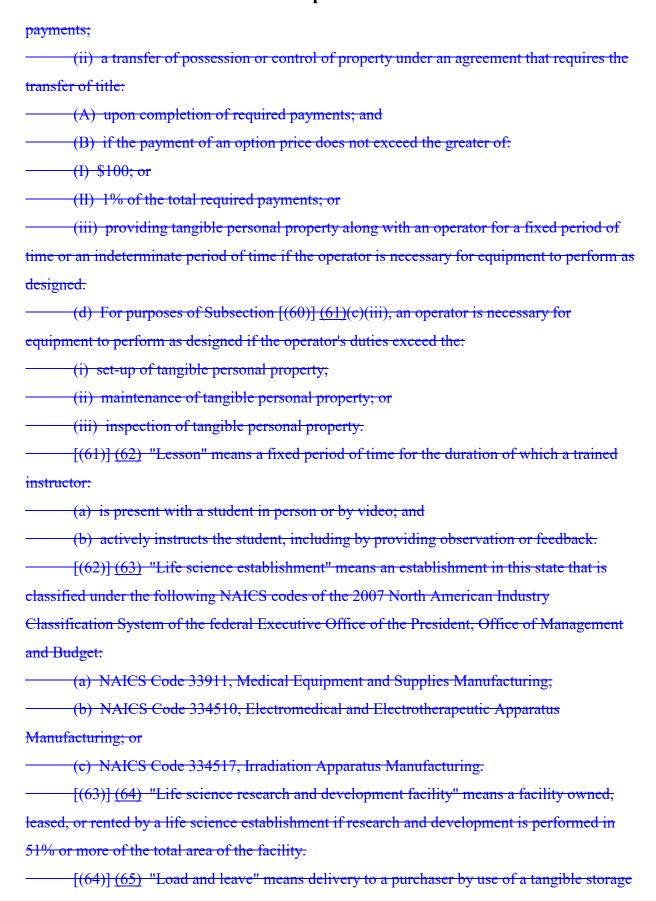






(iii) the Utah Board of Higher Education; or	
(iv) an institution of higher education described in Section 53B-1-102.	
[(56)] (57) "Hydroelectric energy" means water used as the sole source of energy to	
produce electricity.	
[(57)] (58) "Industrial use" means the use of natural gas, electricity, heat, coal, fuel of	sil
or other fuels:	
(a) in mining or extraction of minerals;	
(b) in agricultural operations to produce an agricultural product up to the time of	
harvest or placing the agricultural product into a storage facility, including:	
(i) commercial greenhouses;	
(ii) irrigation pumps;	
(iii) farm machinery;	
(iv) implements of husbandry as defined in Section 41-1a-102 that are not registered	ł
under Title 41, Chapter 1a, Part 2, Registration; and	
(v) other farming activities;	
(c) in manufacturing tangible personal property at an establishment described in:	
(i) SIC Codes 2000 to 3999 of the 1987 Standard Industrial Classification Manual o	f
the federal Executive Office of the President, Office of Management and Budget; or	
(ii) a NAICS code within NAICS Sector 31-33, Manufacturing, of the 2017 North	
American Industry Classification System of the federal Executive Office of the President,	
Office of Management and Budget;	
(d) by a scrap recycler if:	
(i) from a fixed location, the scrap recycler utilizes machinery or equipment to proce	SS
one or more of the following items into prepared grades of processed materials for use in ne	W
products:	
(A) iron;	
(B) steel;	
(C) nonferrous metal;	
(D) paper;	
(E) glass;	
(F) plastic;	

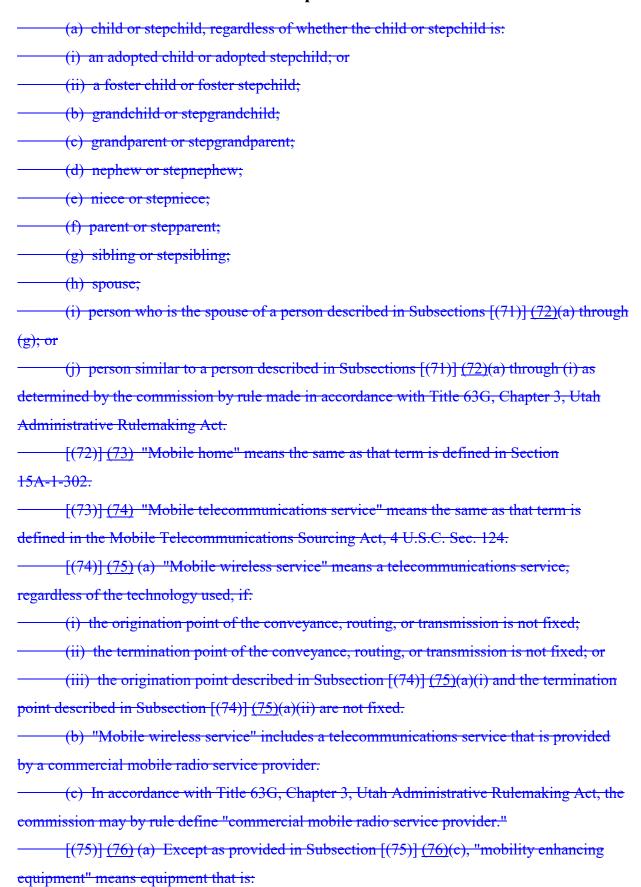


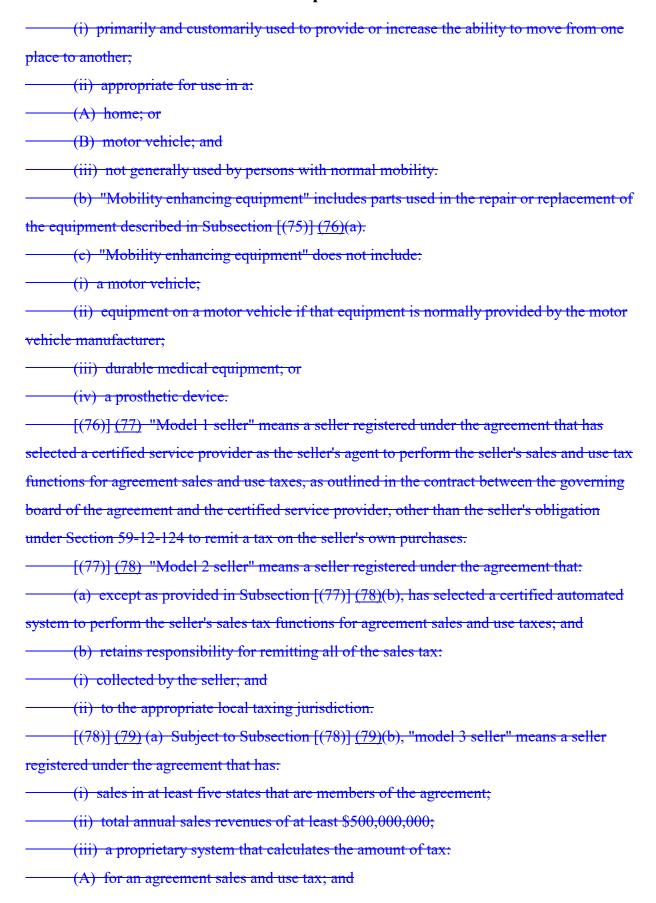


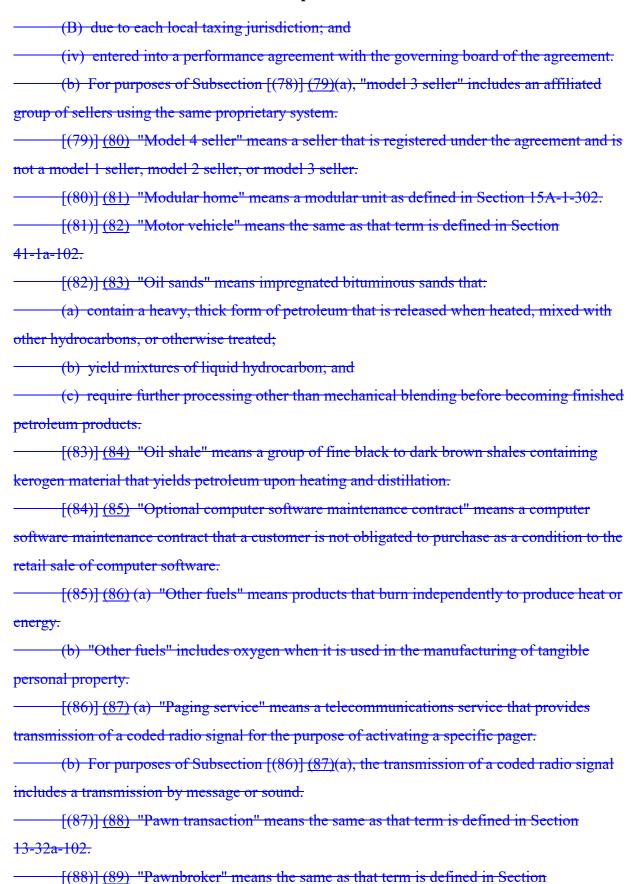
media if the tangible storage media is not physically transferred to the purchaser.
[(65)] (66) "Local taxing jurisdiction" means a:
(a) county that is authorized to impose an agreement sales and use tax;
(b) city that is authorized to impose an agreement sales and use tax; or
(c) town that is authorized to impose an agreement sales and use tax.
[(66)] (67) "Manufactured home" means the same as that term is defined in Section
15A-1-302.
[(67)] (68) "Manufacturing facility" means:
(a) an establishment described in:
(i) SIC Codes 2000 to 3999 of the 1987 Standard Industrial Classification Manual of
the federal Executive Office of the President, Office of Management and Budget; or
(ii) a NAICS code within NAICS Sector 31-33, Manufacturing, of the 2017 North
American Industry Classification System of the federal Executive Office of the President,
Office of Management and Budget;
(b) a scrap recycler if:
(i) from a fixed location, the scrap recycler utilizes machinery or equipment to process
one or more of the following items into prepared grades of processed materials for use in new
products:
(A) iron;
(B) steel;
(C) nonferrous metal;
(D) paper;
(E) glass;
(F) plastic;
(G) textile; or
(II) rubber; and
(ii) the new products under Subsection [(67)] (68)(b)(i) would otherwise be made with
nonrecycled materials; or
(c) a cogeneration facility as defined in Section 54-2-1 if the cogeneration facility is
placed in service on or after May 1, 2006.
[(68)] (69) (a) "Marketplace" means a physical or electronic place, platform, or form

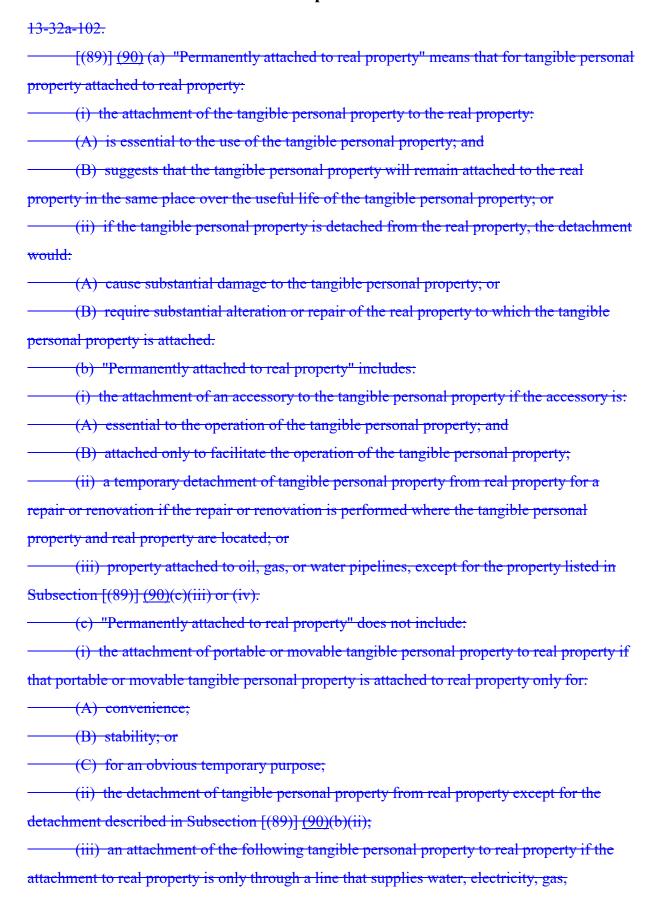
where tangible personal property, a product transferred electronically, or a service is offered for sale. (b) "Marketplace" includes a store, a booth, an Internet website, a catalog, or a dedicated sales software application. [(69)] (70) (a) "Marketplace facilitator" means a person, including an affiliate of the person, that enters into a contract, an agreement, or otherwise with sellers, for consideration, to facilitate the sale of a seller's product through a marketplace that the person owns, operates, or controls and that directly or indirectly: (i) does any of the following: (A) lists, makes available, or advertises tangible personal property, a product transferred electronically, or a service for sale by a marketplace seller on a marketplace that the person owns, operates, or controls; (B) facilitates the sale of a marketplace seller's tangible personal property, product transferred electronically, or service by transmitting or otherwise communicating an offer or acceptance of a retail sale between the marketplace seller and a purchaser using the marketplace; (C) owns, rents, licenses, makes available, or operates any electronic or physical infrastructure or any property, process, method, copyright, trademark, or patent that connects a marketplace seller to a purchaser for the purpose of making a retail sale of tangible personal property, a product transferred electronically, or a service; (D) provides a marketplace for making, or otherwise facilitates, a retail sale of tangible personal property, a product transferred electronically, or a service, regardless of ownership or control of the tangible personal property, the product transferred electronically, or the service that is the subject of the retail sale; (E) provides software development or research and development activities related to any activity described in this Subsection [(69)] (70)(a)(i), if the software development or research and development activity is directly related to the person's marketplace; (F) provides or offers fulfillment or storage services for a marketplace seller; (G) sets prices for the sale of tangible personal property, a product transferred electronically, or a service by a marketplace seller; (II) provides or offers customer service to a marketplace seller or a marketplace seller's

purchaser or accepts or assists with taking orders, returns, or exchanges of tangible personal property, a product transferred electronically, or a service sold by a marketplace seller on the person's marketplace; or (I) brands or otherwise identifies sales as those of the person; and (ii) does any of the following: (A) collects the sales price or purchase price of a retail sale of tangible personal property, a product transferred electronically, or a service; (B) provides payment processing services for a retail sale of tangible personal property, a product transferred electronically, or a service; (C) charges, collects, or otherwise receives a selling fee, listing fee, referral fee, closing fee, a fee for inserting or making available tangible personal property, a product transferred electronically, or a service on the person's marketplace, or other consideration for the facilitation of a retail sale of tangible personal property, a product transferred electronically, or a service, regardless of ownership or control of the tangible personal property, the product transferred electronically, or the service that is the subject of the retail sale; (D) through terms and conditions, an agreement, or another arrangement with a third person, collects payment from a purchase for a retail sale of tangible personal property, a product transferred electronically, or a service and transmits that payment to the marketplace seller, regardless of whether the third person receives compensation or other consideration in exchange for the service; or (E) provides a virtual currency for a purchaser to use to purchase tangible personal property, a product transferred electronically, or service offered for sale. (b) "Marketplace facilitator" does not include: (i) a person that only provides payment processing services; or (ii) a person described in Subsection [(69)] (70)(a) to the extent the person is facilitating a sale for a seller that is a restaurant as defined in Section 59-12-602. [(70)] (71) "Marketplace seller" means a seller that makes one or more retail sales through a marketplace that a marketplace facilitator owns, operates, or controls, regardless of whether the seller is required to be registered to collect and remit the tax under this part. -[(71)] (72) "Member of the immediate family of the producer" means a person who is related to a producer described in Subsection 59-12-104(20)(a) as a:





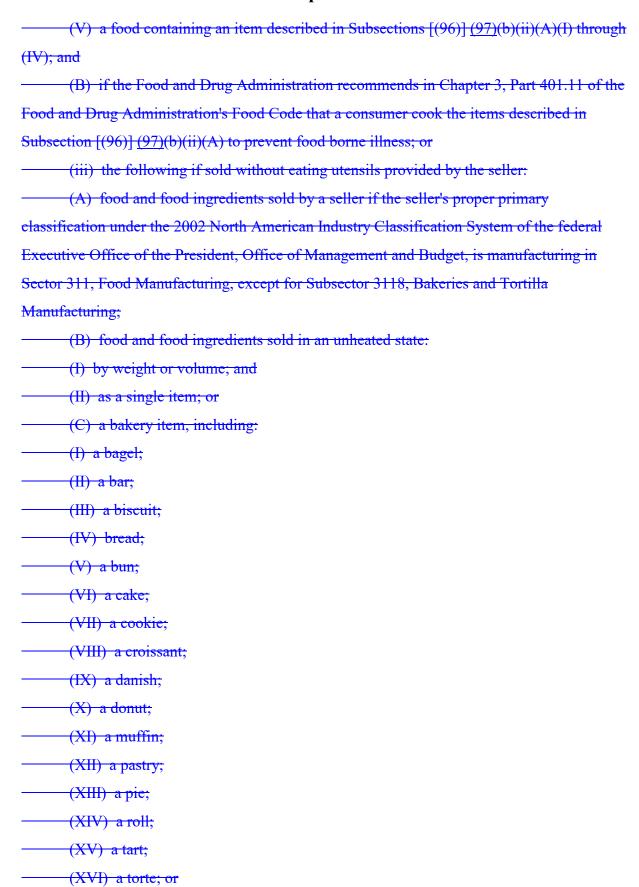


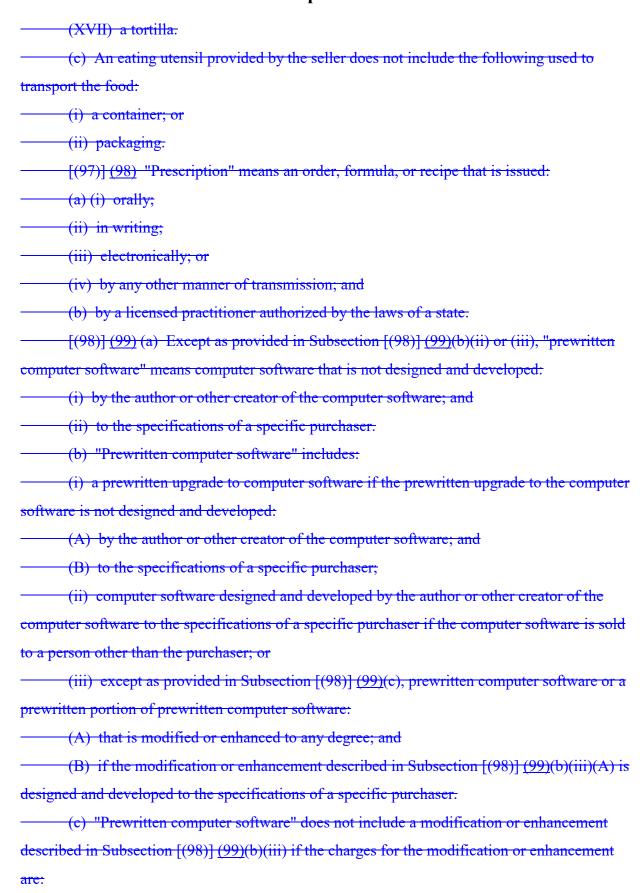


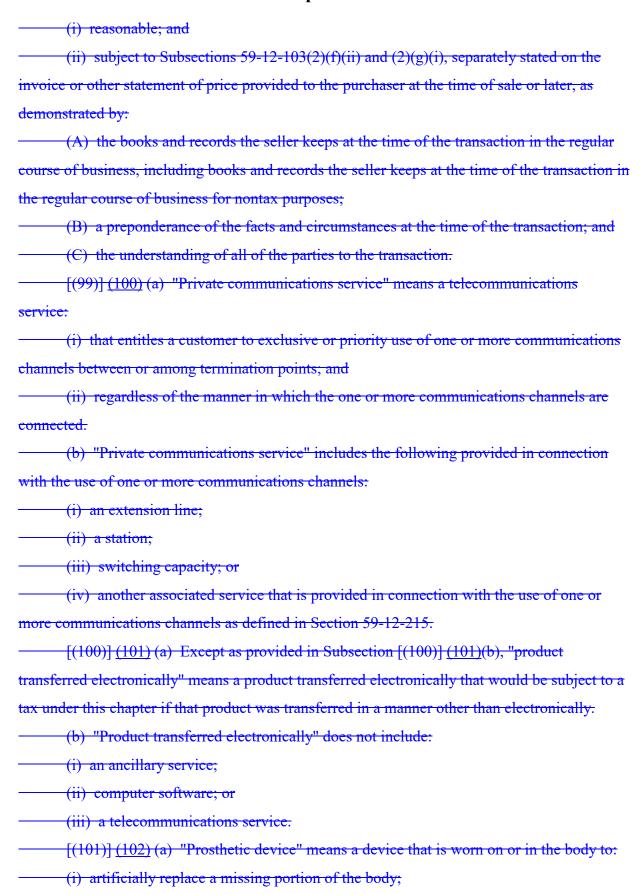
telecommunications, cable, or supplies a similar item as determined by the commission by rul
made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act:
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(B) a telephone;
(C) a television; or
(D) tangible personal property similar to Subsections [(89)] (90)(c)(iii)(A) through (C
as determined by the commission by rule made in accordance with Title 63G, Chapter 3, Utah
Administrative Rulemaking Act; or
(iv) an item listed in Subsection [(130)] (131)(c).
[(90)] (91) "Person" includes any individual, firm, partnership, joint venture,
association, corporation, estate, trust, business trust, receiver, syndicate, this state, any county,
city, municipality, district, or other local governmental entity of the state, or any group or
combination acting as a unit.
[(91)] (92) "Place of primary use":
(a) for telecommunications service other than mobile telecommunications service,
means the street address representative of where the customer's use of the telecommunications
service primarily occurs, which shall be:
(i) the residential street address of the customer; or
(ii) the primary business street address of the customer; or
(b) for mobile telecommunications service, means the same as that term is defined in
the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 124.
[(92)] (93) (a) "Postpaid calling service" means a telecommunications service a person
obtains by making a payment on a call-by-call basis:
(i) through the use of a:
(A) bank card;
(B) credit card;
(C) debit card; or
(D) travel card; or
(ii) by a charge made to a telephone number that is not associated with the origination
or termination of the telecommunications service.
(b) "Postpaid calling service" includes a service, except for a prepaid wireless calling

service, that would be a prepaid wireless calling service if the service were exclusively a telecommunications service. [(93)] (94) "Postproduction" means an activity related to the finishing or duplication of a medium described in Subsection 59-12-104(54)(a). [(94)] (95) "Prepaid calling service" means a telecommunications service: (a) that allows a purchaser access to telecommunications service that is exclusively telecommunications service; (b) that: (i) is paid for in advance; and (ii) enables the origination of a call using an: (A) access number; or (B) authorization code; (c) that is dialed: (i) manually; or (ii) electronically; and (d) sold in predetermined units or dollars that decline: (i) by a known amount; and (ii) with use. [(95)] (96) "Prepaid wireless calling service" means a telecommunications service: (a) that provides the right to utilize: (i) mobile wireless service; and (ii) other service that is not a telecommunications service, including: (A) the download of a product transferred electronically; (B) a content service; or (C) an ancillary service; (b) that: (i) is paid for in advance; and (ii) enables the origination of a call using an: (A) access number; or (B) authorization code; (c) that is dialed:

(i) manually; or
(ii) electronically; and
(d) sold in predetermined units or dollars that decline:
(i) by a known amount; and
(ii) with use.
[(96)] (97) (a) "Prepared food" means:
(i) food:
(A) sold in a heated state; or
(B) heated by a seller;
(ii) two or more food ingredients mixed or combined by the seller for sale as a sing
item; or
(iii) except as provided in Subsection [(96)] (97)(c), food sold with an eating utens
provided by the seller, including a:
(A) plate;
(B) knife;
(C) fork;
(D) spoon;
(E) glass;
(F) cup;
(G) napkin; or
(H) straw.
(b) "Prepared food" does not include:
(i) food that a seller only:
(A) cuts;
(B) repackages; or
(C) pasteurizes; or
(ii) (A) the following:
(I) raw egg;
(II) raw fish;
(III) raw meat;
(IV) raw poultry; or



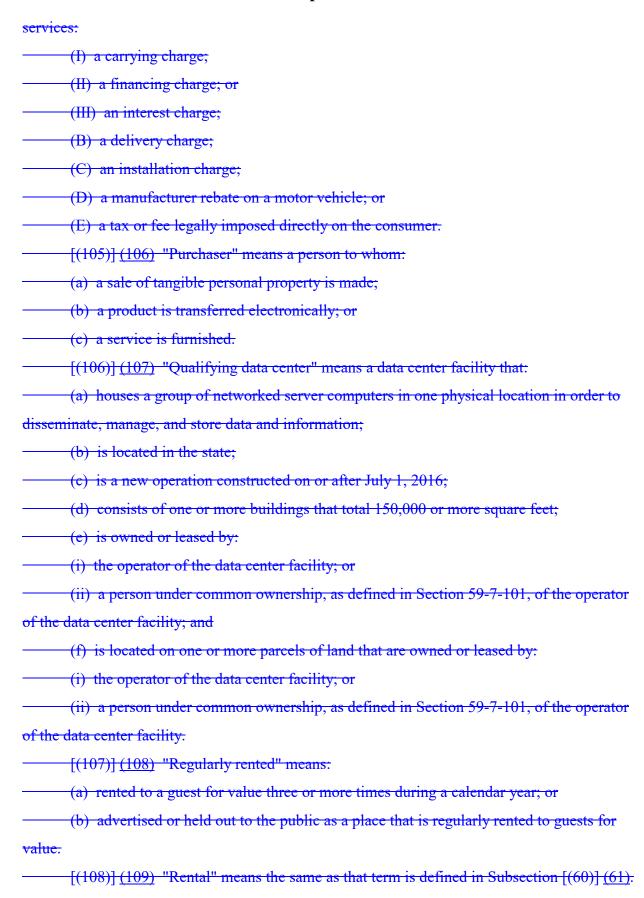


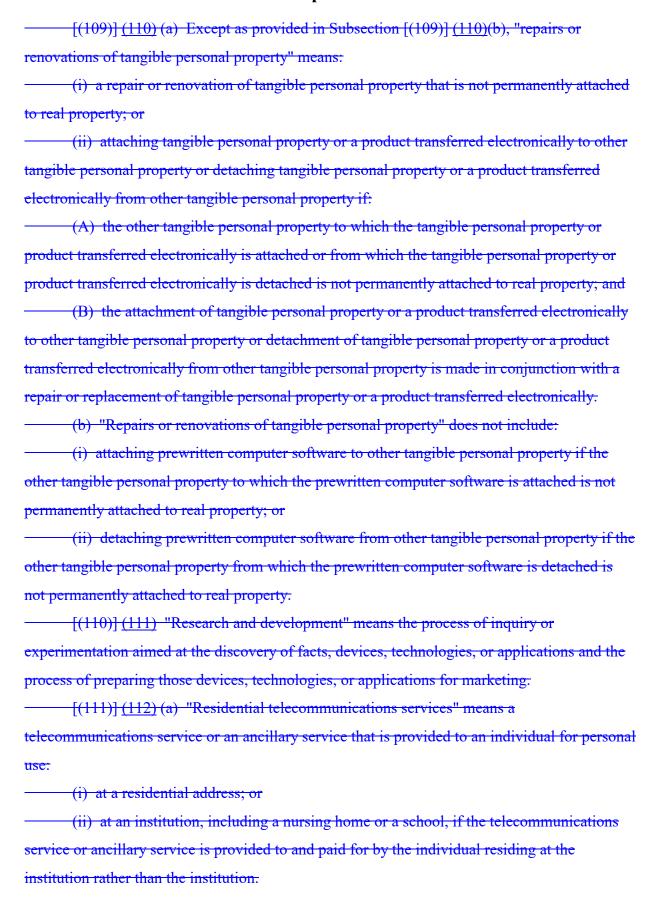


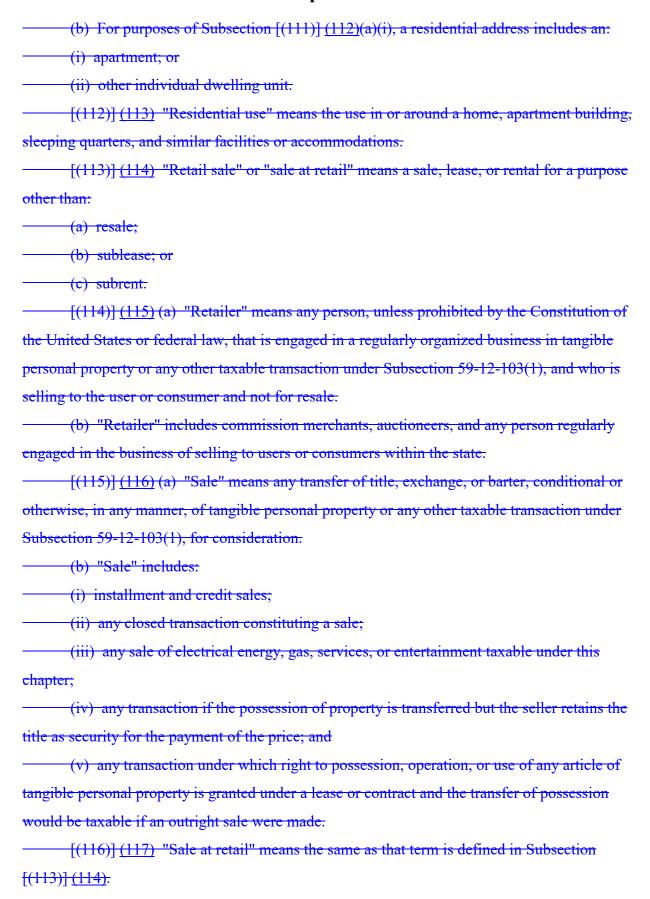
(ii) prevent or correct a physical deformity or physical malfunction; or
(iii) support a weak or deformed portion of the body.
(b) "Prosthetic device" includes:
(i) parts used in the repairs or renovation of a prosthetic device;
(ii) replacement parts for a prosthetic device;
(iii) a dental prosthesis; or
(iv) a hearing aid.
(c) "Prosthetic device" does not include:
(i) corrective eyeglasses; or
(ii) contact lenses.
[(102)] (103) (a) "Protective equipment" means an item:
(i) for human wear; and
(ii) that is:
(A) designed as protection:
(I) to the wearer against injury or disease; or
(II) against damage or injury of other persons or property; and
(B) not suitable for general use.
(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, th
commission shall make rules:
(i) listing the items that constitute "protective equipment"; and
(ii) that are consistent with the list of items that constitute "protective equipment"
under the agreement.
[(103)] (104) (a) For purposes of Subsection 59-12-104(41), "publication" means any
written or printed matter, other than a photocopy:
(i) regardless of:
(A) characteristics;
(B) copyright;
(C) form;
(D) format;
(E) method of reproduction; or
(F) source; and

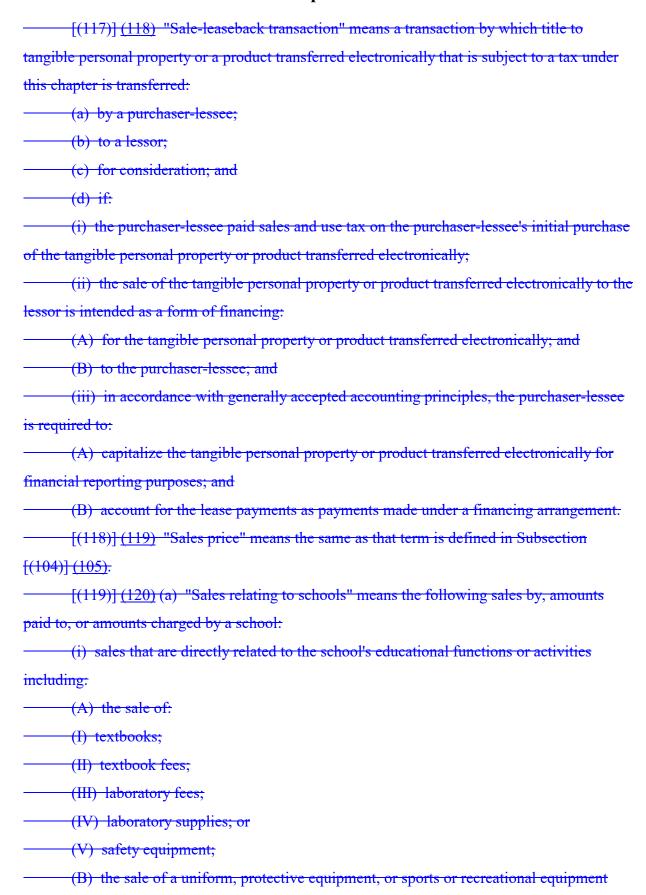
(ii) made available in printed or electronic format.
(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
commission may by rule define the term "photocopy."
[(104)] (105) (a) "Purchase price" and "sales price" mean the total amount of
consideration:
(i) valued in money; and
(ii) for which tangible personal property, a product transferred electronically, or
services are:
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(B) leased; or
(C) rented.
(b) "Purchase price" and "sales price" include:
(i) the seller's cost of the tangible personal property, a product transferred
electronically, or services sold;
(ii) expenses of the seller, including:
(A) the cost of materials used;
(B) a labor cost;
(C) a service cost;
(D) interest;
(E) a loss;
(F) the cost of transportation to the seller; or
(G) a tax imposed on the seller;
(iii) a charge by the seller for any service necessary to complete the sale; or
(iv) consideration a seller receives from a person other than the purchaser if:
(A) (I) the seller actually receives consideration from a person other than the purchase
and
(II) the consideration described in Subsection [(104)] (105)(b)(iv)(A)(I) is directly
related to a price reduction or discount on the sale;
(B) the seller has an obligation to pass the price reduction or discount through to the
purchaser;
(C) the amount of the consideration attributable to the sale is fixed and determinable

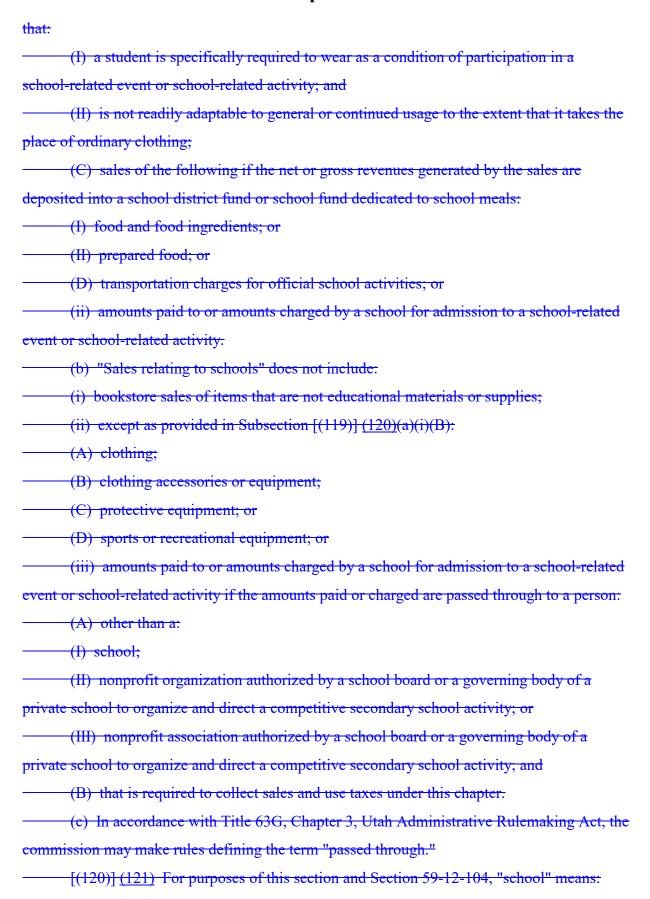
the seller at the time of the sale to the purchaser; and (D) (I) (Aa) the purchaser presents a certificate, coupon, or other documentation to the seller to claim a price reduction or discount; and (Bb) a person other than the seller authorizes, distributes, or grants the certificate, coupon, or other documentation with the understanding that the person other than the seller will reimburse any seller to whom the certificate, coupon, or other documentation is presented; (II) the purchaser identifies that purchaser to the seller as a member of a group or organization allowed a price reduction or discount, except that a preferred customer card that is available to any patron of a seller does not constitute membership in a group or organization allowed a price reduction or discount; or (III) the price reduction or discount is identified as a third party price reduction or discount on the: (Aa) invoice the purchaser receives; or (Bb) certificate, coupon, or other documentation the purchaser presents. (c) "Purchase price" and "sales price" do not include: (i) a discount: (A) in a form including: (I) cash; (II) term; or (III) coupon; (B) that is allowed by a seller; (C) taken by a purchaser on a sale; and (D) that is not reimbursed by a third party; or (ii) subject to Subsections 59-12-103(2)(f)(ii) and (2)(g)(i), the following if separately stated on an invoice, bill of sale, or similar document provided to the purchaser at the time of sale or later, as demonstrated by the books and records the seller keeps at the time of the transaction in the regular course of business, including books and records the seller keeps at the time of the transaction in the regular course of business for nontax purposes, by a preponderance of the facts and circumstances at the time of the transaction, and by the understanding of all of the parties to the transaction: (A) the following from credit extended on the sale of tangible personal property or





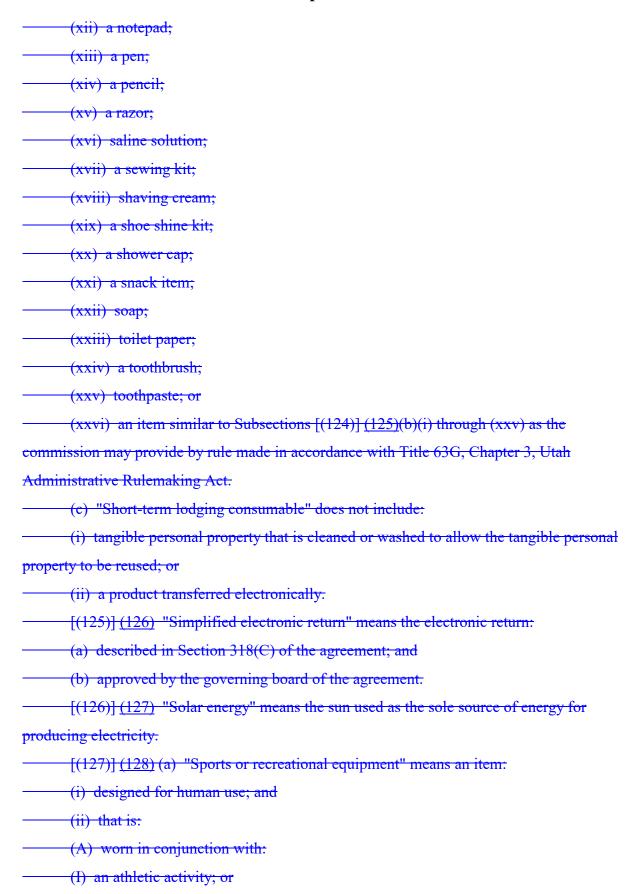




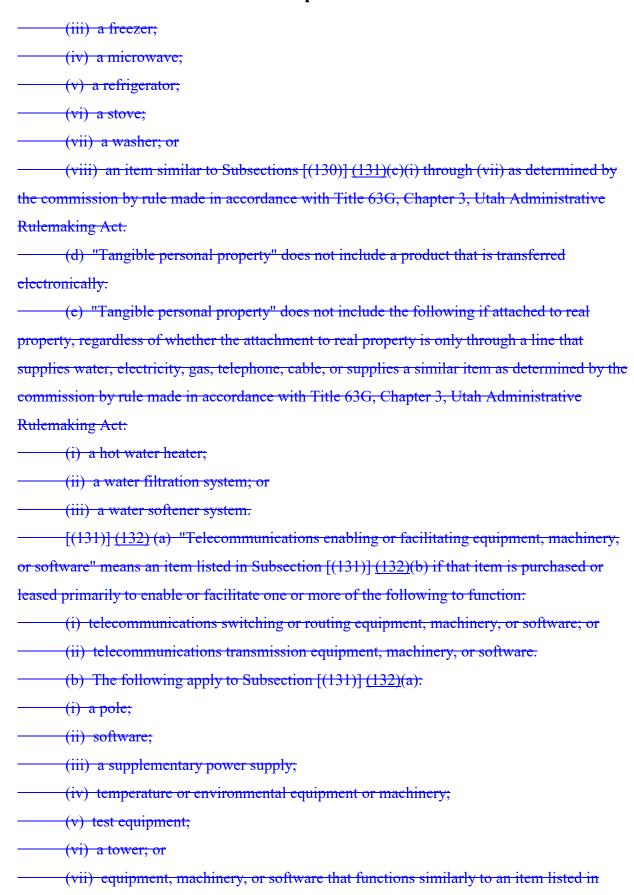


(a) an elementary school or a secondary school that:
(i) is a:
(A) public school; or
(B) private school; and
(ii) provides instruction for one or more grades kindergarten through 12; or
(b) a public school district.
[(121)] (122) (a) "Seller" means a person that makes a sale, lease, or rental of:
(i) tangible personal property;
(ii) a product transferred electronically; or
(iii) a service.
(b) "Seller" includes a marketplace facilitator.
[(122)] (123) (a) "Semiconductor fabricating, processing, research, or development
materials" means tangible personal property or a product transferred electronically if the
tangible personal property or product transferred electronically is:
(i) used primarily in the process of:
(A) (I) manufacturing a semiconductor;
(II) fabricating a semiconductor; or
(III) research or development of a:
(Aa) semiconductor; or
(Bb) semiconductor manufacturing process; or
(B) maintaining an environment suitable for a semiconductor; or
(ii) consumed primarily in the process of:
(A) (I) manufacturing a semiconductor;
(II) fabricating a semiconductor; or
(III) research or development of a:
(Aa) semiconductor; or
(Bb) semiconductor manufacturing process; or
(B) maintaining an environment suitable for a semiconductor.
(b) "Semiconductor fabricating, processing, research, or development materials"
includes:
(i) parts used in the repairs or renovations of tangible personal property or a product

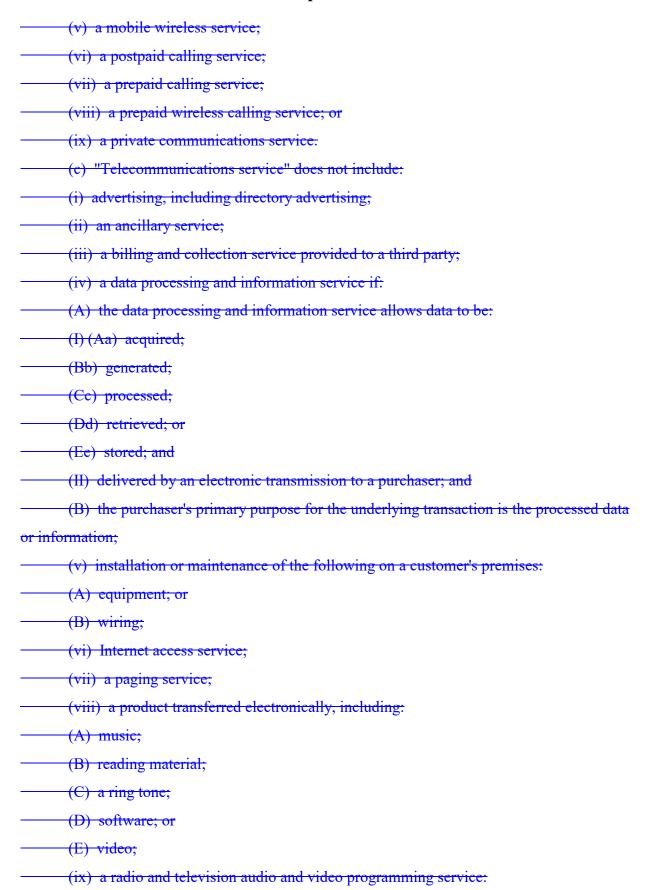
transferred electronically described in Subsection [(122)] (123)(a); or
(ii) a chemical, catalyst, or other material used to:
(A) produce or induce in a semiconductor a:
(I) chemical change; or
(II) physical change;
(B) remove impurities from a semiconductor; or
(C) improve the marketable condition of a semiconductor.
[(123)] (124) "Senior citizen center" means a facility having the primary purpose of
providing services to the aged as defined in Section 62A-3-101.
[(124)] (125) (a) Subject to Subsections [(124)] (125)(b) and (c), "short-term lodging
consumable" means tangible personal property that:
(i) a business that provides accommodations and services described in Subsection
59-12-103(1)(i) purchases as part of a transaction to provide the accommodations and services
to a purchaser;
(ii) is intended to be consumed by the purchaser; and
(iii) is:
(A) included in the purchase price of the accommodations and services; and
(B) not separately stated on an invoice, bill of sale, or other similar document provide
to the purchaser.
(b) "Short-term lodging consumable" includes:
(i) a beverage;
(ii) a brush or comb;
(iii) a cosmetic;
(iv) a hair care product;
(v) lotion;
(vi) a magazine;
(vii) makeup;
(viii) a meal;
(ix) mouthwash;
(x) nail polish remover;
(xi) a newspaper;

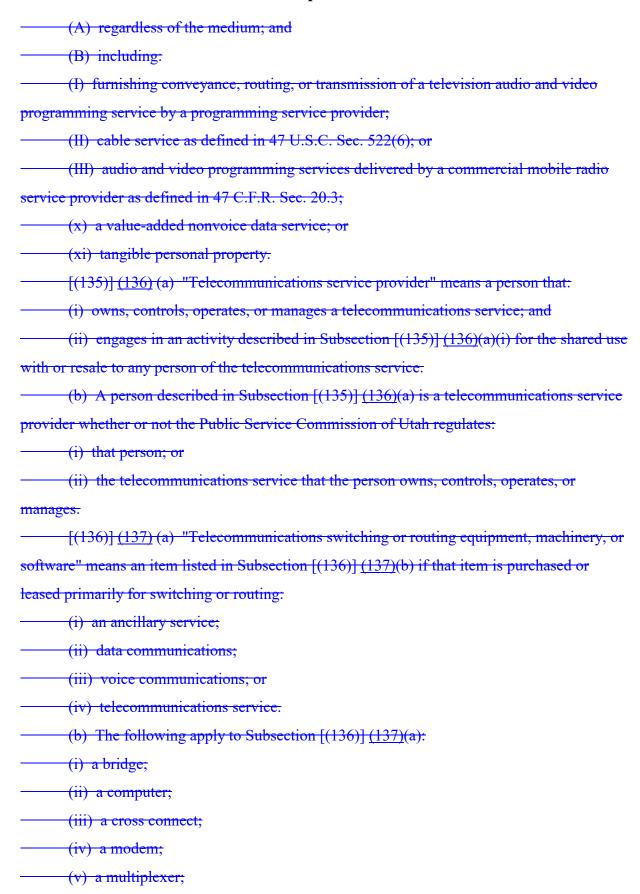


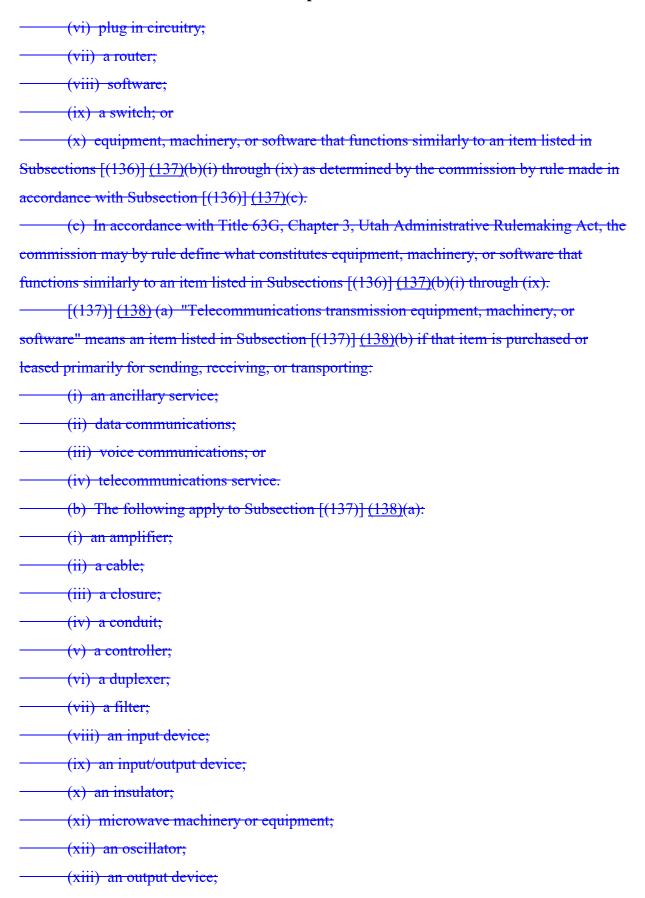
(II) a recreational activity; and	
(B) not suitable for general use.	
(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaki	ng Act, the
commission shall make rules:	
(i) listing the items that constitute "sports or recreational equipment"; and	
(ii) that are consistent with the list of items that constitute "sports or recreating	i onal
equipment" under the agreement.	
[(128)] (129) "State" means the state of Utah, its departments, and agencies.	
[(129)] (130) "Storage" means any keeping or retention of tangible personal	property o
any other taxable transaction under Subsection 59-12-103(1), in this state for any pu	rpose
except sale in the regular course of business.	
[(130)] (131) (a) Except as provided in Subsection [(130)] (131)(d) or (e), "	tangible
personal property" means personal property that:	
(i) may be:	
(A) seen;	
(B) weighed;	
(C) measured;	
(D) felt; or	
(E) touched; or	
(ii) is in any manner perceptible to the senses.	
(b) "Tangible personal property" includes:	
(i) electricity;	
(ii) water;	
(iii) gas;	
(iv) steam; or	
(v) prewritten computer software, regardless of the manner in which the pre	written
computer software is transferred.	
(c) "Tangible personal property" includes the following regardless of whether	er the item
is attached to real property:	
(i) a dishwasher;	
(ii) a dryer;	

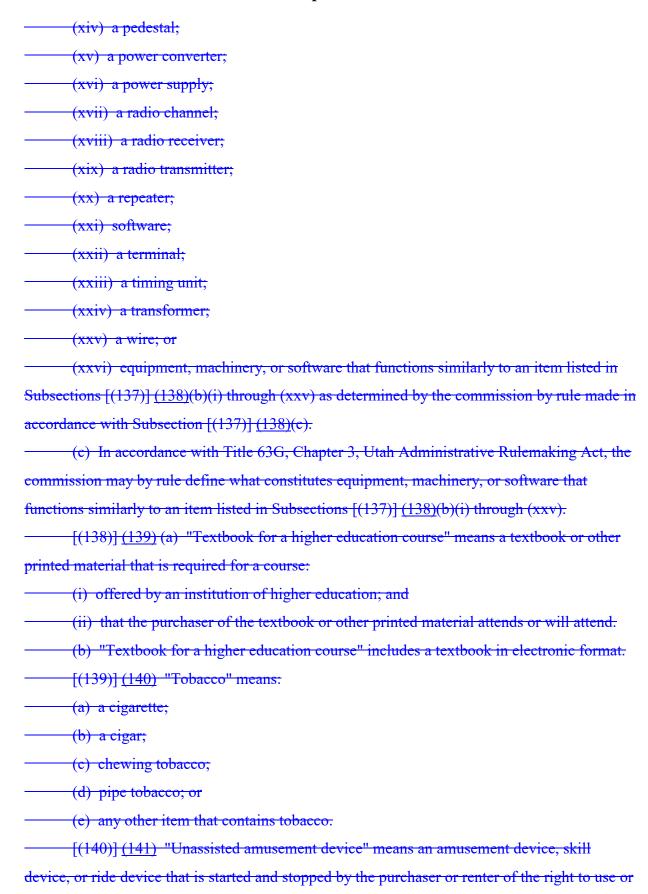


Subsections [(131)] (132)(b)(i) through (vi) as determined by the commission by rule made in accordance with Subsection [(131)] (132)(c). (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define what constitutes equipment, machinery, or software that functions similarly to an item listed in Subsections [(131)] (132)(b)(i) through (vi). [(132)] (133) "Telecommunications equipment, machinery, or software required for 911 service" means equipment, machinery, or software that is required to comply with 47 C.F.R. Sec. 20.18. [(133)] (134) "Telecommunications maintenance or repair equipment, machinery, or software" means equipment, machinery, or software purchased or leased primarily to maintain or repair one or more of the following, regardless of whether the equipment, machinery, or software is purchased or leased as a spare part or as an upgrade or modification to one or more of the following: (a) telecommunications enabling or facilitating equipment, machinery, or software; (b) telecommunications switching or routing equipment, machinery, or software; or (c) telecommunications transmission equipment, machinery, or software. [(134)] (135) (a) "Telecommunications service" means the electronic conveyance, routing, or transmission of audio, data, video, voice, or any other information or signal to a point, or among or between points. (b) "Telecommunications service" includes: (i) an electronic conveyance, routing, or transmission with respect to which a computer processing application is used to act: (A) on the code, form, or protocol of the content; (B) for the purpose of electronic conveyance, routing, or transmission; and (C) regardless of whether the service: (I) is referred to as voice over Internet protocol service; or (II) is classified by the Federal Communications Commission as enhanced or value added: (ii) an 800 service; (iii) a 900 service; (iv) a fixed wireless service;

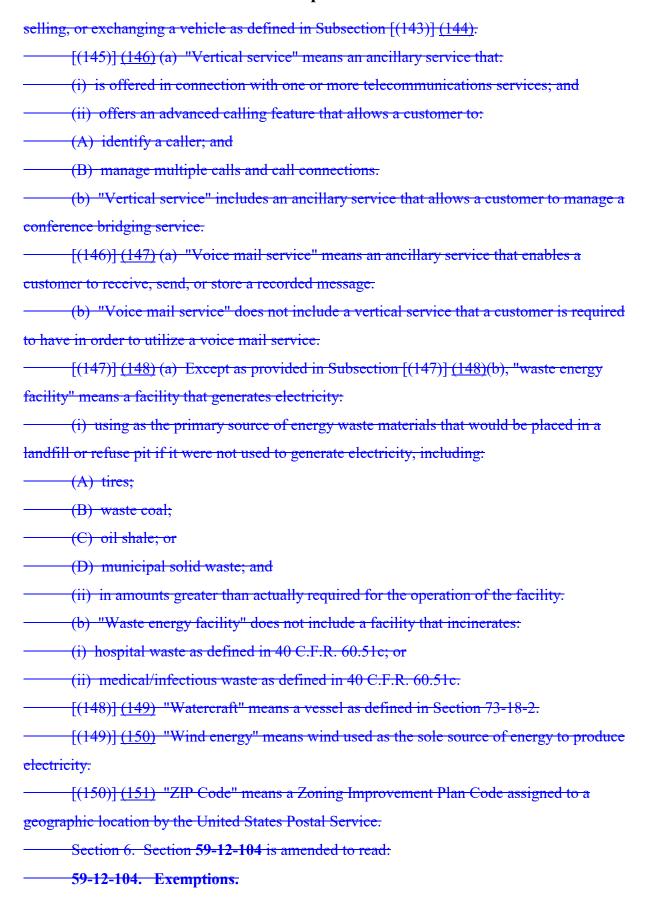


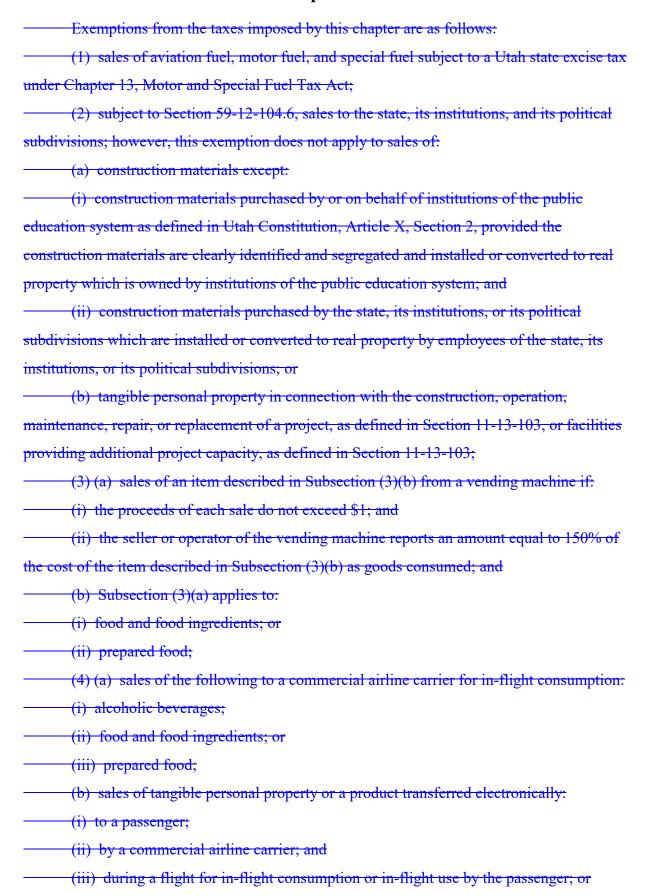


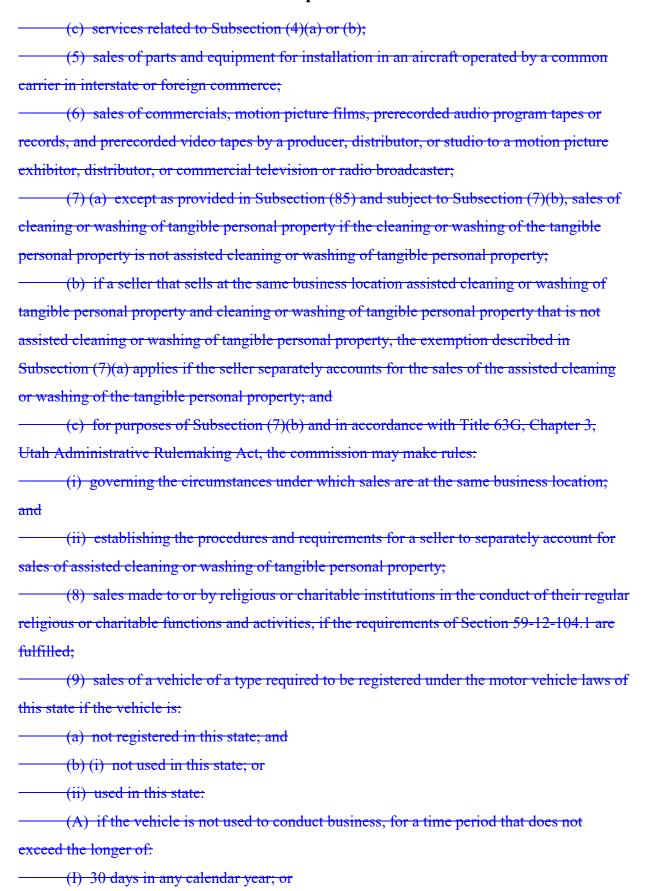




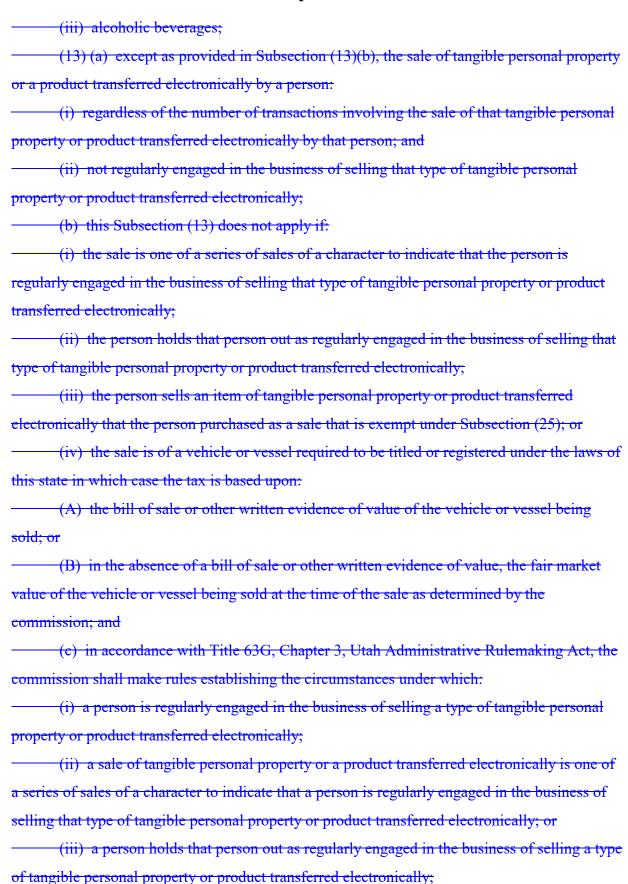
operate the amusement device, skill device, or ride device. [(141)] (142) (a) "Use" means the exercise of any right or power over tangible personal property, a product transferred electronically, or a service under Subsection 59-12-103(1), incident to the ownership or the leasing of that tangible personal property, product transferred electronically, or service. (b) "Use" does not include the sale, display, demonstration, or trial of tangible personal property, a product transferred electronically, or a service in the regular course of business and held for resale. -[(142)] (143) "Value-added nonvoice data service" means a service: (a) that otherwise meets the definition of a telecommunications service except that a computer processing application is used to act primarily for a purpose other than conveyance, routing, or transmission; and (b) with respect to which a computer processing application is used to act on data or information: (i) code; (ii) content; (iii) form; or (iv) protocol. [(143)] (144) (a) Subject to Subsection [(143)] (144)(b), "vehicle" means the following that are required to be titled, registered, or titled and registered: (i) an aircraft as defined in Section 72-10-102; (ii) a vehicle as defined in Section 41-1a-102; (iii) an off-highway vehicle as defined in Section 41-22-2; or (iv) a vessel as defined in Section 41-1a-102. (b) For purposes of Subsection 59-12-104(33) only, "vehicle" includes: (i) a vehicle described in Subsection [(143)] (144)(a); or (ii) (A) a locomotive; (B) a freight car; (C) railroad work equipment; or (D) other railroad rolling stock. [(144)] (145) "Vehicle dealer" means a person engaged in the business of buying,

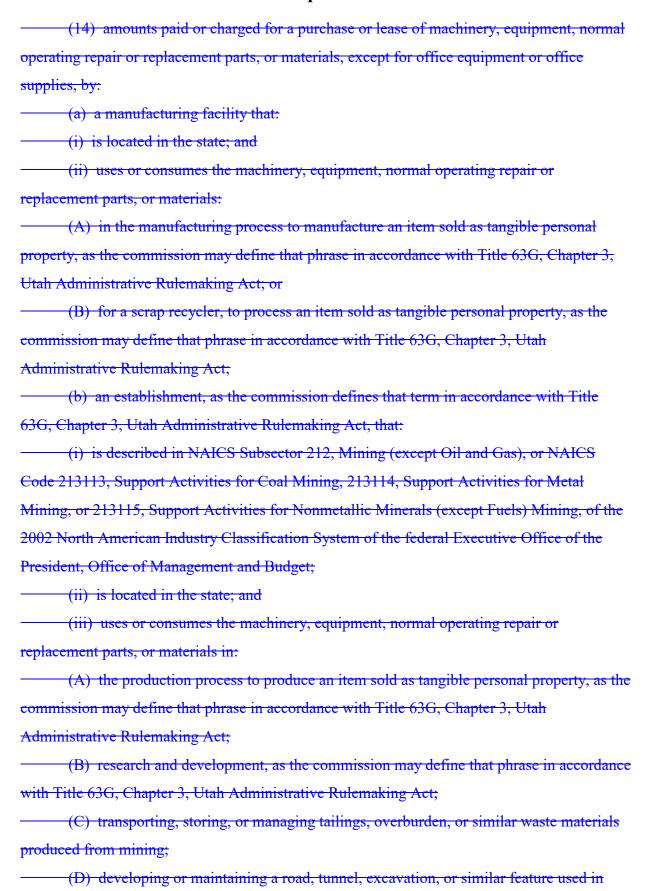


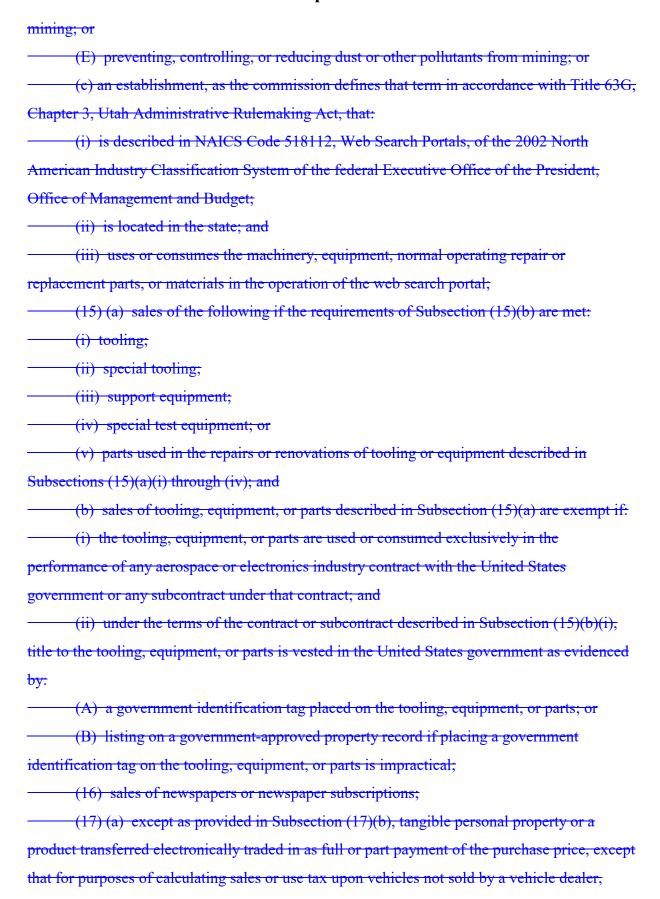




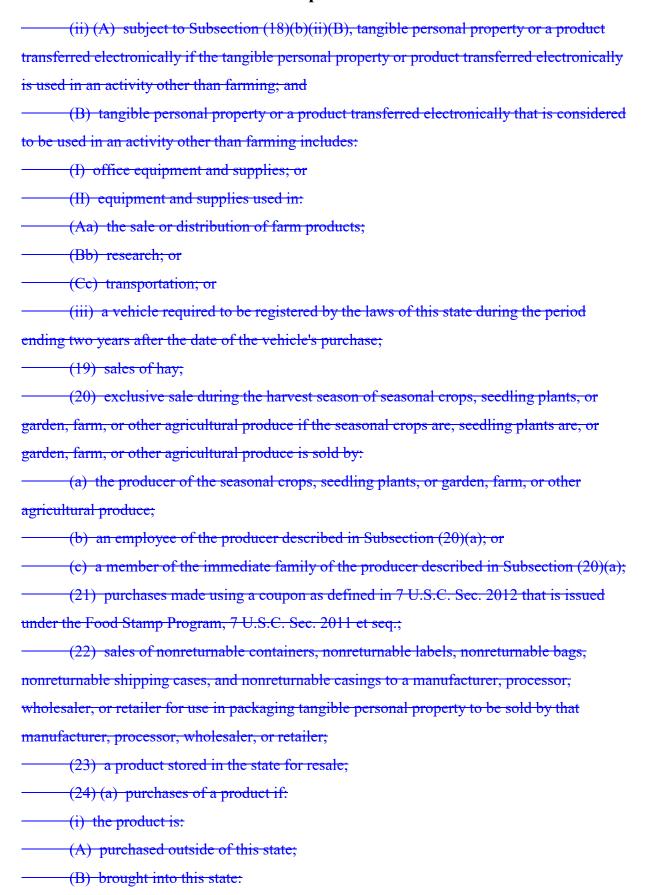
(II) the time period necessary to transport	the vehicle to the borders of this state; or
(B) if the vehicle is used to conduct business	ess, for the time period necessary to transport
the vehicle to the borders of this state;	
(10) (a) amounts paid for an item describe	d in Subsection (10)(b) if:
(i) the item is intended for human use; and	r.
(ii) (A) a prescription was issued for the it	em; or
(B) the item was purchased by a hospital of	r other medical facility; and
(b) (i) Subsection (10)(a) applies to:	
(A) a drug;	
(B) a syringe; or	
(C) a stoma supply; and	
(ii) in accordance with Title 63G, Chapter	3, Utah Administrative Rulemaking Act, the
commission may by rule define the terms:	
(A) "syringe"; or	
(B) "stoma supply";	
(11) purchases or leases exempt under Sec	tion 19-12-201;
(12) (a) sales of an item described in Subs	ection (12)(c) served by:
(i) the following if the item described in S	ubsection (12)(c) is not available to the
general public:	
(A) a church; or	
(B) a charitable institution; or	
(ii) an institution of higher education if:	
(A) the item described in Subsection (12)(e) is not available to the general public; or
(B) the item described in Subsection (12)(e) is prepaid as part of a student meal plan
offered by the institution of higher education; or	
(b) sales of an item described in Subsection	n (12)(c) provided for a patient by:
(i) a medical facility; or	
(ii) a nursing facility; and	
(c) Subsections (12)(a) and (b) apply to:	
(i) food and food ingredients;	
(ii) prepared food; or	

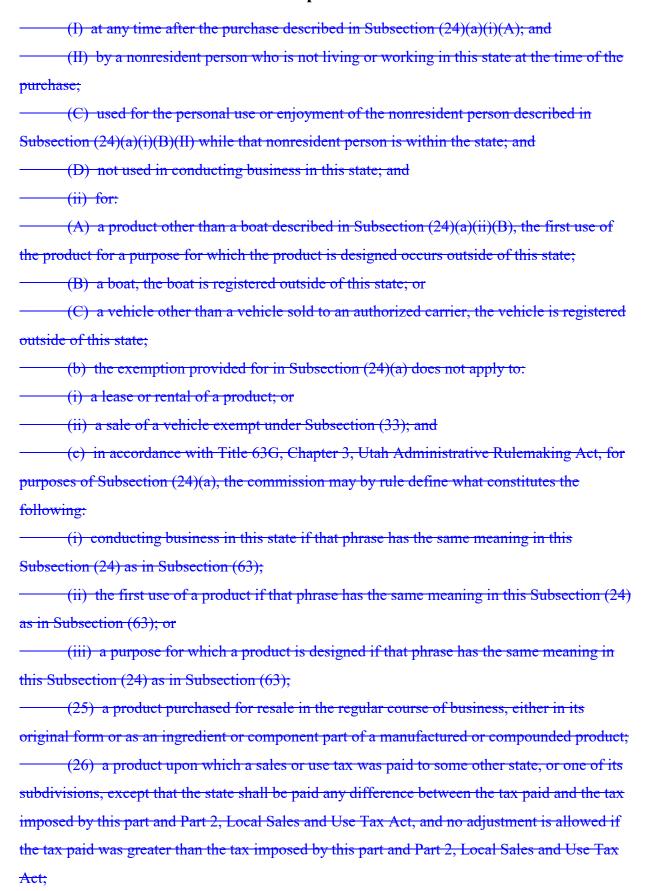


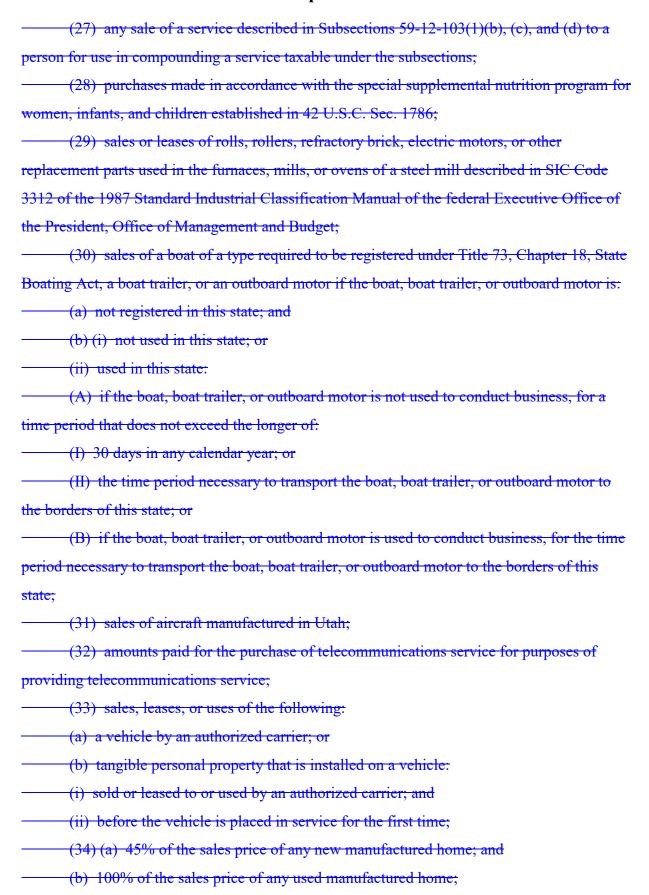


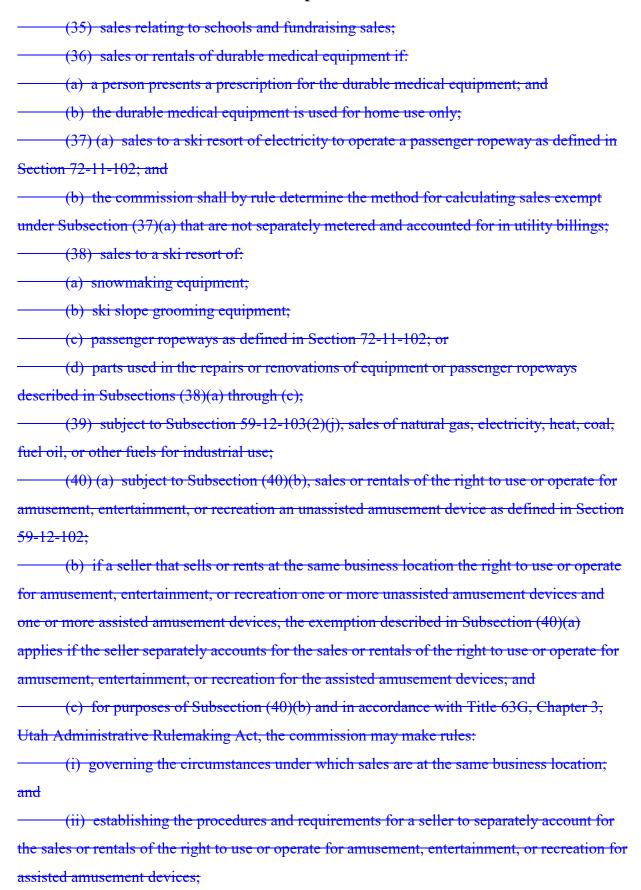


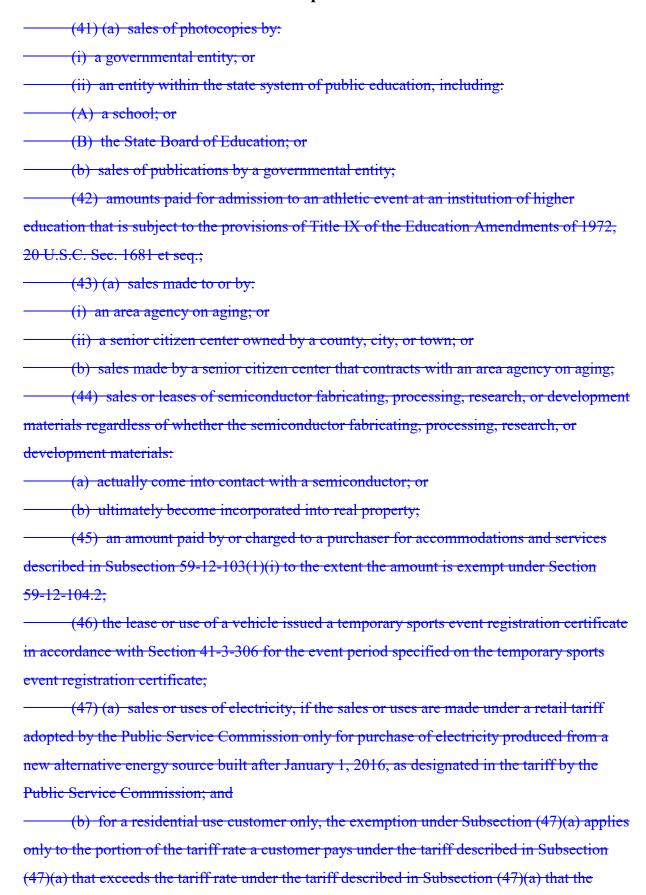
trade-ins are limited to other vehicles only, and the tax is based upon: (i) the bill of sale or other written evidence of value of the vehicle being sold and the vehicle being traded in; or (ii) in the absence of a bill of sale or other written evidence of value, the then existing fair market value of the vehicle being sold and the vehicle being traded in, as determined by the commission; and (b) Subsection (17)(a) does not apply to the following items of tangible personal property or products transferred electronically traded in as full or part payment of the purchase price: (i) money; (ii) electricity; (iii) water; (iv) gas; or (v) steam; (18) (a) (i) except as provided in Subsection (18)(b), sales of tangible personal property or a product transferred electronically used or consumed primarily and directly in farming operations, regardless of whether the tangible personal property or product transferred electronically: (A) becomes part of real estate; or (B) is installed by a farmer, contractor, or subcontractor; or (ii) sales of parts used in the repairs or renovations of tangible personal property or a product transferred electronically if the tangible personal property or product transferred electronically is exempt under Subsection (18)(a)(i); and (b) amounts paid or charged for the following are subject to the taxes imposed by this chapter: (i) (A) subject to Subsection (18)(b)(i)(B), machinery, equipment, materials, or supplies if used in a manner that is incidental to farming; and (B) tangible personal property that is considered to be used in a manner that is incidental to farming includes: (I) hand tools; or (II) maintenance and janitorial equipment and supplies;



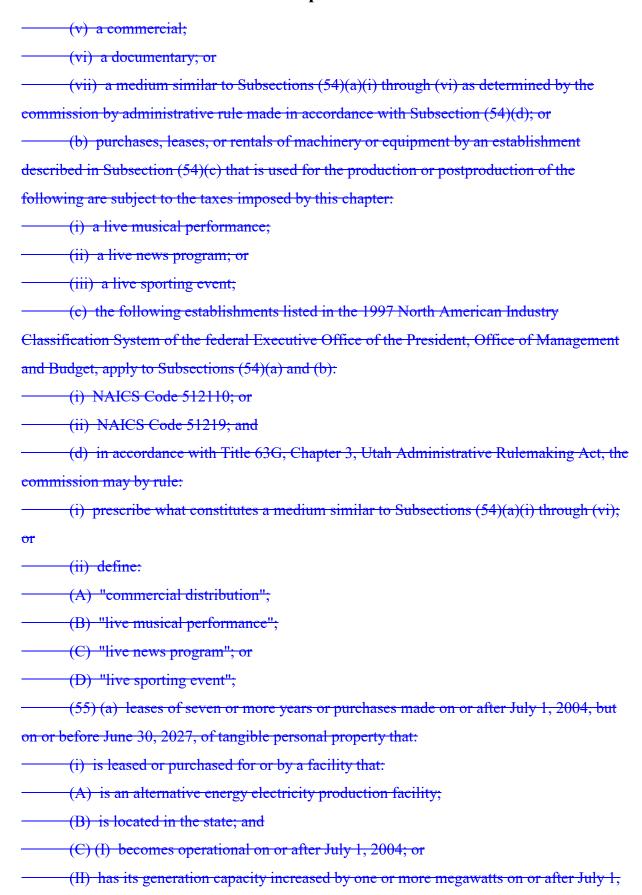




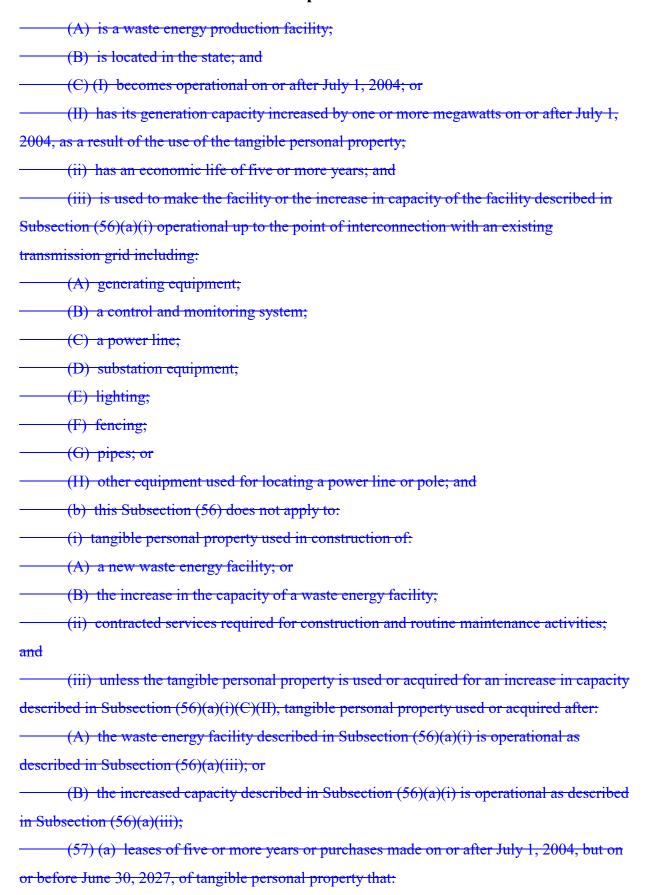


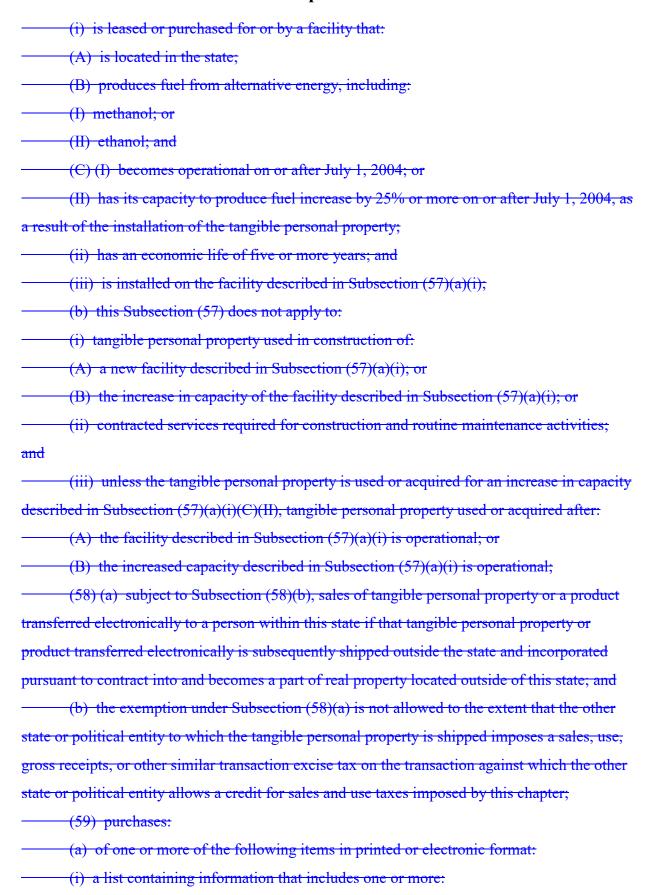


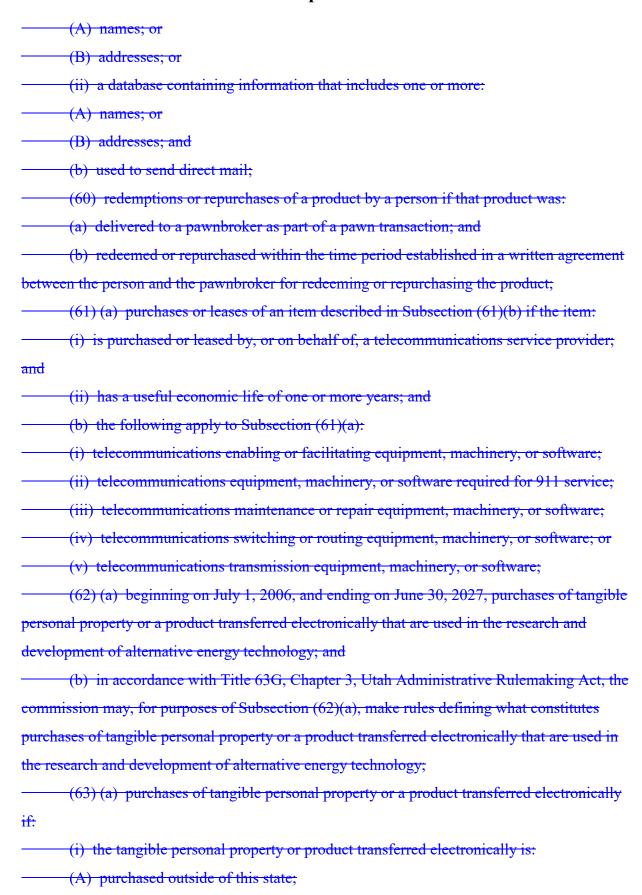
customer would have paid absent the tariff;
(48) sales or rentals of mobility enhancing equipment if a person presents a
prescription for the mobility enhancing equipment;
(49) sales of water in a:
(a) pipe;
(b) conduit;
(c) ditch; or
(d) reservoir;
(50) sales of currency or coins that constitute legal tender of a state, the United States
or a foreign nation;
(51) (a) sales of an item described in Subsection (51)(b) if the item:
(i) does not constitute legal tender of a state, the United States, or a foreign nation; are
(ii) has a gold, silver, or platinum content of 50% or more; and
(b) Subsection (51)(a) applies to a gold, silver, or platinum:
(i) ingot;
(ii) bar;
(iii) medallion; or
(iv) decorative coin;
(52) amounts paid on a sale-leaseback transaction;
(53) sales of a prosthetic device:
(a) for use on or in a human; and
(b) (i) for which a prescription is required; or
(ii) if the prosthetic device is purchased by a hospital or other medical facility;
(54) (a) except as provided in Subsection (54)(b), purchases, leases, or rentals of
machinery or equipment by an establishment described in Subsection (54)(c) if the machinery
or equipment is primarily used in the production or postproduction of the following media for
commercial distribution:
(i) a motion picture;
(ii) a television program;
(iii) a movie made for television;
(iv) a music video;

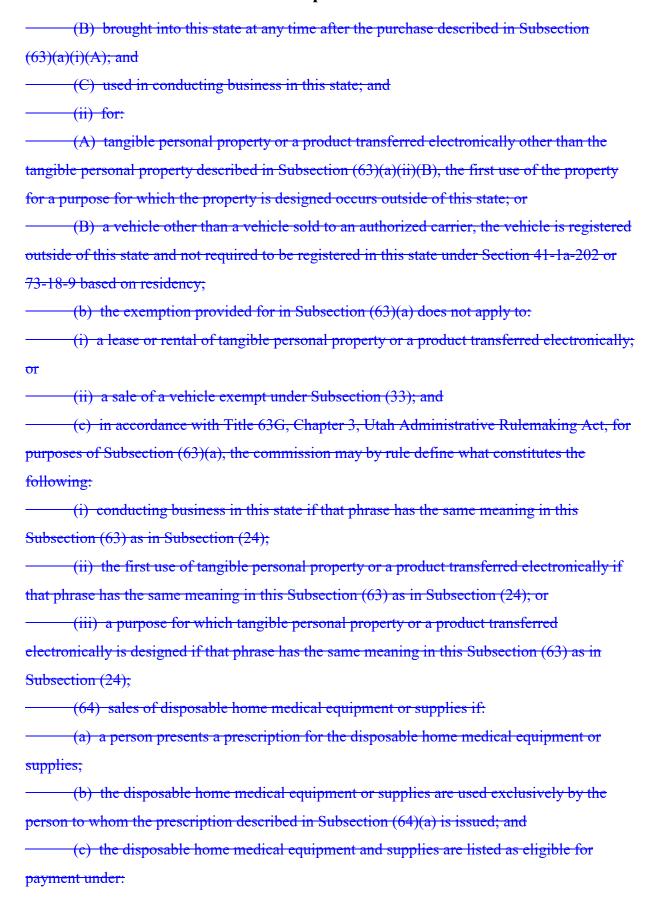


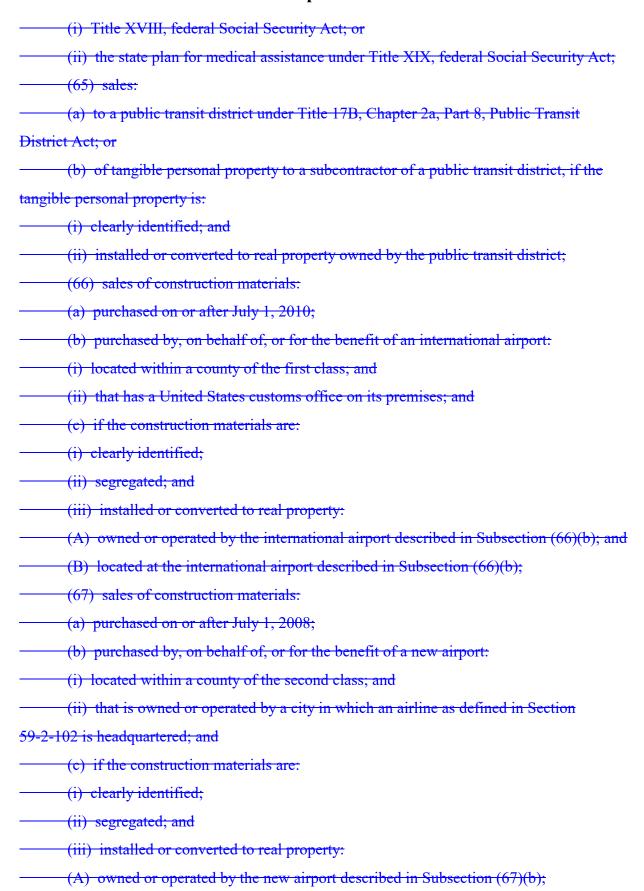
2004, as a result of the use of the tangible personal property;
(ii) has an economic life of five or more years; and
(iii) is used to make the facility or the increase in capacity of the facility described in
Subsection (55)(a)(i) operational up to the point of interconnection with an existing
transmission grid including:
(A) a wind turbine;
(B) generating equipment;
(C) a control and monitoring system;
(D) a power line;
(E) substation equipment;
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(I) other equipment used for locating a power line or pole; [and] or
(J) electricity storage equipment; and
(b) this Subsection (55) does not apply to:
(i) tangible personal property used in construction of:
(A) a new alternative energy electricity production facility; or
(B) the increase in the capacity of an alternative energy electricity production facility;
(ii) contracted services required for construction and routine maintenance activities;
and and
(iii) unless the tangible personal property is used or acquired for an increase in capaci
of the facility described in Subsection (55)(a)(i)(C)(II), tangible personal property used or
acquired after:
(A) the alternative energy electricity production facility described in Subsection
(55)(a)(i) is operational as described in Subsection (55)(a)(iii); or
(B) the increased capacity described in Subsection (55)(a)(i) is operational as described
in Subsection (55)(a)(iii);
(56) (a) leases of seven or more years or purchases made on or after July 1, 2004, but
on or before June 30, 2027, of tangible personal property that:
(i) is leased or purchased for or by a facility that:

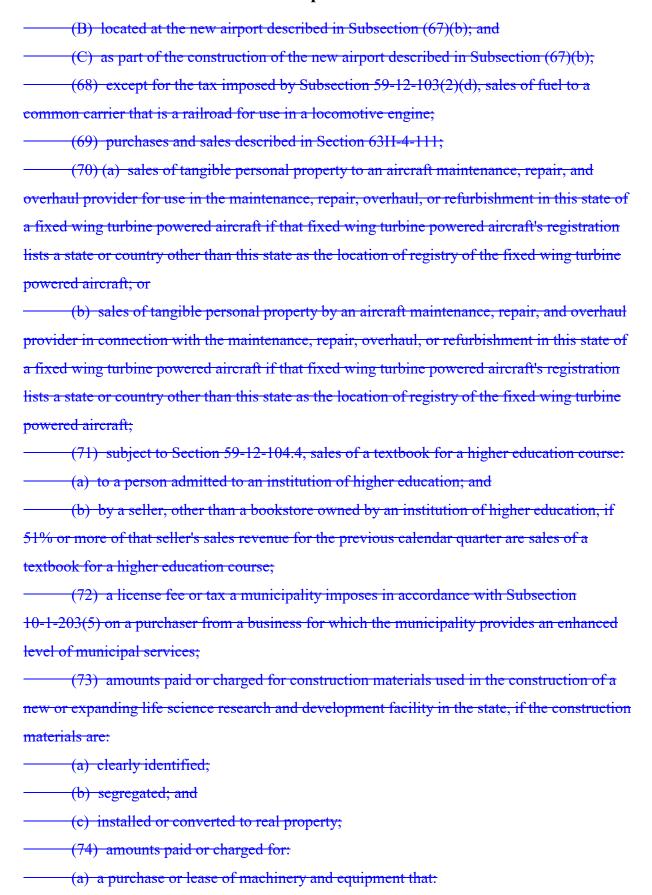


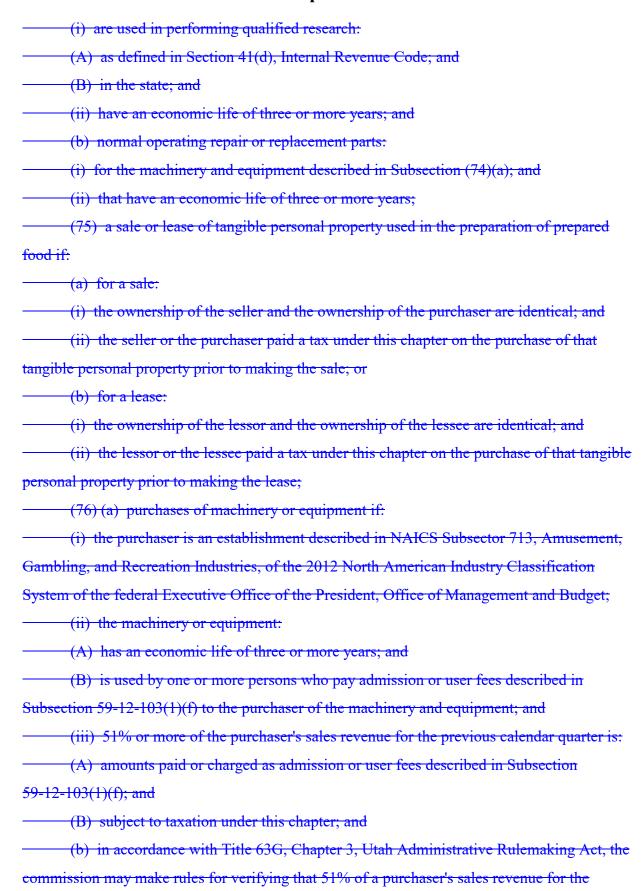




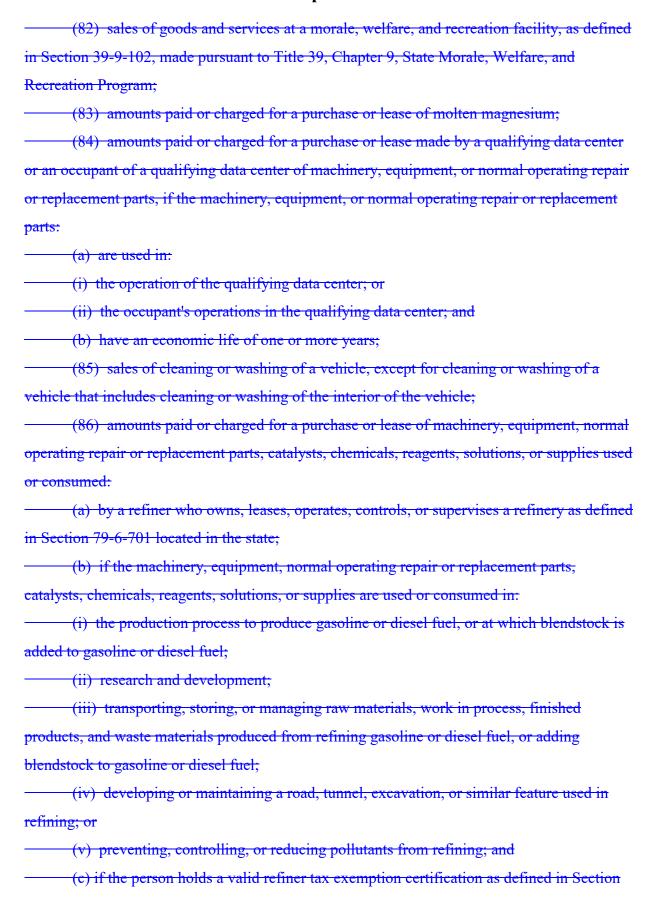








previous calendar quarter is:	
(i) amounts paid or charged as admission or user fees described in Subsection	
59-12-103(1)(f); and	
(ii) subject to taxation under this chapter;	
(77) purchases of a short-term lodging consumable by a business that provides	
accommodations and services described in Subsection 59-12-103(1)(i);	
(78) amounts paid or charged to access a database:	
(a) if the primary purpose for accessing the database is to view or retrieve information	n
from the database; and	
(b) not including amounts paid or charged for a:	
(i) digital audio work;	
(ii) digital audio-visual work; or	
(iii) digital book;	
(79) amounts paid or charged for a purchase or lease made by an electronic financial	
payment service, of:	
(a) machinery and equipment that:	
(i) are used in the operation of the electronic financial payment service; and	
(ii) have an economic life of three or more years; and	
(b) normal operating repair or replacement parts that:	
(i) are used in the operation of the electronic financial payment service; and	
(ii) have an economic life of three or more years;	
(80) sales of a fuel cell as defined in Section 54-15-102;	
(81) amounts paid or charged for a purchase or lease of tangible personal property or	a
product transferred electronically if the tangible personal property or product transferred	
electronically:	
(a) is stored, used, or consumed in the state; and	
(b) is temporarily brought into the state from another state:	
(i) during a disaster period as defined in Section 53-2a-1202;	
(ii) by an out-of-state business as defined in Section 53-2a-1202;	
(iii) for a declared state disaster or emergency as defined in Section 53-2a-1202; and	
(iv) for disaster- or emergency-related work as defined in Section 53-2a-1202;	



79-6-701;
(87) amounts paid to or charged by a proprietor for accommodations and services, as
defined in Section 63H-1-205, if the proprietor is subject to the MIDA accommodations tax
imposed under Section 63H-1-205;
(88) amounts paid or charged for a purchase or lease of machinery, equipment, normal
operating repair or replacement parts, or materials, except for office equipment or office
supplies, by an establishment, as the commission defines that term in accordance with Title
63G, Chapter 3, Utah Administrative Rulemaking Act, that:
(a) is described in NAICS Code 621511, Medical Laboratories, of the 2017 North
American Industry Classification System of the federal Executive Office of the President,
Office of Management and Budget;
(b) is located in this state; and
(c) uses the machinery, equipment, normal operating repair or replacement parts, or
materials in the operation of the establishment; [and]
(89) amounts paid or charged for an item exempt under Section 59-12-104.10[.]; and
(90) (a) leases of seven or more years or purchases made on or after July 1, 2022, but
on or before June 30, 2040, of tangible personal property that:
(i) is leased or purchased for or by a facility that is:
(A) an electricity storage facility;
(B) located in the state; and
(C) (I) becomes operational on or after July 1, 2022; or
(II) has the facility's storage capacity increased by one or more megawatts on or after
July 1, 2022, as a result of the use of the tangible personal property;
(ii) has an economic life of five or more years; and
(iii) is used to make the facility or the increase in capacity of the facility described in
Subsection (90)(a)(i) operational up to the point of interconnection with an existing
transmission grid or electricity storage equipment; and
(b) this Subsection (90) does not apply to:
(i) tangible personal property used in construction of:
(A) an electricity storage facility; or
(B) the increase in the capacity of an electricity storage facility;

(ii) contracted services required for construction and routine maintenance activities; and

(iii) unless the tangible personal property is used or acquired for an increase in capacity of the facility described in Subsection (90)(a)(i)(C)(II), tangible personal property used or acquired after:

(A) the electricity storage facility described in Subsection (90)(a)(i) is operational as described in Subsection (90)(a)(iii); or

(B) the increased capacity described in Subsection (90)(a)(i) is operational as described in Subsection (90)(a)(iii).

}72-2-202.

Section 7. Effective date.

This bill takes effect on July 1, 2022.

Section 8. Repealer.

This bill repeals:

Section 19-1-401, Title.